Housing NYC: Rents, Markets & Trends 2017

NYC Rent Guidelines Board

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Housing NYC: Rents, Markets & Trends 2017

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Chair's Acknowledgements

New York City continues to experience vacancy levels (3.45% Citywide for all rentals and 2.12% for rent stabilized units, according to the most recent data) that constitute a "housing emergency," requiring the Rent Guidelines Board (RGB), rather than the market, to set annual renewal lease adjustments for nearly one million rent stabilized apartments, lofts and hotel units. Our role is to determine lease adjustments that are responsive to the costs of operating rental housing, but also cognizant of the economic conditions faced by tenants.

In determining the renewal lease adjustment rates for 2017, we followed the long-established practice of prior Boards of relying upon the carefully gathered data provided by the RGB staff and data contained in the *2014 Housing and Vacancy Survey*. The reports in this edition of *Housing NYC: Rents, Markets and Trends 2017* provide the foundation for the Board's deliberations and our decisions this year.

Every member of the Board is grateful to the RGB staff for their hard work, careful analysis, and clear presentation of data. This staff conducts impeccable research that is invaluable to the Board, as well as to the many people and organizations who participate in the public discussion. These reports provide a thorough analysis of the New York City housing market and the larger economy, including a broad array of data concerning the costs of operating residential buildings; owner income; housing availability; tenant income; and changes to the housing stock.

This book is critical not only for those who are interested in the Board's decisions for a particular year, but is also part of a series of books produced by the RGB staff that provide a rich data set and analysis for use by housing professionals, government officials, housing advocates, academics, and all members of the public who care about the quality and affordability of New York City's rental housing.

Our decision was rooted in the data compiled in this book, but the Board also relied upon the hundreds of people who testified at this year's public hearings for the human faces and individual stories they shared. We are grateful for the perspectives offered by elected officials, representatives of tenant and owner groups, public policy organizations, and the many members of the public for their insights into the challenges faced by both tenants and owners of rent stabilized apartments.

It is a great honor and privilege to be part of this Board. We are given a weighty task and each member of the Board has demonstrated exceptional dedication to the process and commitment to careful and thoughtful decision making. I thank each member of the Board for their participation in a critically important endeavor.

Kathleen A. Roberts
Chair of the Board

Executive Director's Acknowledgements

Housing NYC: Rents, Markets and Trends 2017 is a compilation of the NYC Rent Guidelines Board's (RGB) reports produced by its research staff. These reports remain essential resources used by members of the Board in their determination of renewal lease guidelines for rent stabilized dwelling units in New York City. The research contained in this compendium not only represents efforts by the RGB staff, but contributions by many other housing professionals and government agencies.

The research staff of the RGB produces six reports each year, all of which are contained in this compendium. Our Research Director, Brian Hoberman, employed his strong research skills to author the *2017 Income and Expense Study*, *2017 Mortgage Survey Report* and *Changes to the Rent Stabilized Housing Stock in New York City in 2016*. In addition to his commendable work on these reports, Brian continues to use his talents to maintain and contribute content to the Board's website, nycrgb.org, and heads the RGB's IT department. Deputy Research Director Danielle Burger, a key member of our staff, authored the *2017 Income and Affordability Study* and the *2017 Housing Supply Report* and contributed her research skills to this year's *Price Index of Operating Costs*. She is also responsible for producing this annual research publication, as well as contributing content to the Board's website. The RGB is fortunate to have such dedicated and experienced professionals.

The Price Index of Operating Cost (PIOC), which measures changes in operating and maintenance costs in rent stabilized buildings, is the most time consuming report undertaken by the RGB staff. Each staff member contributes to this report, which is conducted throughout the year. In addition to the permanent RGB employees, the Board hires temporary workers to help collect prices for insurance, non-union labor, contractors, building supplies, and replacement items. Our thanks go out to our veteran team of data collectors: Michael Taylor and Thomas O'Rourke. They are conscientious and hard-working, and we appreciate their efforts on this year's PIOC. Finally, we would like to thank Jim Hudson for his review of the PIOC spreadsheets and the final written report. His years of experience working on this project helps to ensure that the data presented in this report is accurate. His statistical expertise and professionalism is above reproach.

Although the reports contained in *Housing NYC* are written and compiled by our research team, our efforts would not be possible without the RGB's Office Manager/Public Information Officer, Charmaine Superville. She is our primary point person in answering the thousands of phone calls the RGB receives each year. Over the years, she has accumulated a vast knowledge of rent stabilization and housing issues in NYC, which she delivers to our callers with patience and kindness. Ms. Superville is also responsible for balancing the Board's books, paying our bills and setting up the Board's public meetings and hearings. She continues to be an important member of the staff and we are grateful for her dedication to the RGB.

I would like to extend my gratitude to the RGB's Chair, Kathleen A. Roberts, for her continued support of the staff. Furthermore, I would like to thank the members of the Board for their efforts this past year and commend them for their hard work and commitment to their task. It's a pleasure to work with them all.

Although RGB reports are produced entirely "in-house," our research efforts would not be possible without assistance from many others. For both the information and expertise they provided, our gratitude goes out to: Bill Sears at the Department of City Planning, for data on new housing completions; Farid Heydarpour at the NYC Comptroller's Office, who provides labor force data; Floralba Paulino at the Bureau of City Marshals, for information on evictions and possessions; Eddy Valdez at the NYC Civil Court, for data on housing court proceedings; Michael Bobick, Esq. at the NYC Loft Board, for data concerning loft conversions to rent stabilization; Jackie Bray at the Department of Homeless Services, for help with homeless statistics; Emre Edev at the City Council's Finance Division for tax levy data; Aditi Sen of the Mayor's Office of Special Enforcement for illegal hotel violations data; and Geoffrey Prophéter of the Independent Budget Office (IBO), for lending his expertise on real estate tax projections. At the Division of Housing and Community Renewal (DHCR), which is a division of New York State Homes and

Community Renewal (HCR), we would like to thank Deputy Commissioner Woody Pascal, as well as Michael Berrios and Tracey Stock, for their assistance and expertise regarding owner registration data and Robert Damico for his assistance with Mitchell-Lama data. In addition, our thanks goes out to the following staff members of the NYC Department of Housing Preservation and Development (HPD): Elyzabeth Gaumer, Assistant Commissioner of Research and Evaluation, for facilitating the collection of additional City-sponsored housing construction and sales data; Elaine R. Toribio of the Tax Incentives Program, who provided data on tax benefit programs; and Julie Walpert, Assistant Commissioner, Office of Housing Operations, who provides information regarding Mitchell-Lama units. We would like to thank the staff of NYC Department of Finance, in particular, John Blaskovich and Andreen McDonald, for providing summary data from the Real Property Income and Expense (RPIE) filings.

Our appreciation is extended to the numerous agencies that provided useful data throughout the year. At the national level: the U.S. Census Bureau, Residential Construction branch; the Bureau of Labor Statistics; the Federal Deposit Insurance Corporation; U.S. Bankruptcy Court; and the Department of Housing and Urban Development. Agencies at the state level include: the Real Estate Financing Bureau of the Attorney General's Office; New York State Homes and Community Renewal, the Division of Housing and Community Renewal; the Bureau of Data Management and Analysis of the Office of Temporary and Disability Assistance; and the Department of Labor's Research and Statistics Division. Local level sources include: Civil Court of the City of New York; the Department of Finance; the Department of Buildings; the Department of City Planning; the Department of Homeless Services; the Human Resources Administration; the Comptroller's Office; the Bureau of City Marshals; the NYC Loft Board; the Office of the Mayor; and the Department of Housing Preservation and Development.

Over the years, we have maintained a strong partnership with HPD. We would like to thank Commissioner Maria Torres-Springer, Elyzabeth Gaumer, and Sheree West for continuing and strengthening this relationship. We are fortunate to have such a dedicated and responsive group meeting the needs of the Board and its staff.

Finally, we give special thanks to those who testified at RGB meetings this year: from NYC Department of Finance, Timothy Sheares, Deputy Commissioner, Property Division; from HPD, Leila Bozorg, Chief of Staff; from DHCR, Woody Pascal, Deputy Commissioner for Rent Administration; and from the Community Preservation Corporation (CPC), Rafael E. Cestero, President & Chief Executive Officer.

Andrew McLaughlin
Executive Director

Income & Expense

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2017 Price Index Of Operating Costs

What's New

- The Price Index of Operating Costs (PIOC) for Rent Stabilized Apartment Buildings increased 6.2% this year.
- All costs in natural-gas heated buildings increased 6.0% and all costs in fuel-oil heated buildings increased 6.5%.
- The "Core" PIOC, which excludes the changes in fuel oil prices, natural gas, and steam costs, is useful for analyzing inflationary trends. The Core PIOC rose by 4.5% this year.
- Fuel costs increased 24.6%.
- Real estate taxes increased 7.8%, primarily due to a rise in assessments for Class Two properties.
- The Utilities component decreased by 0.8%, due to declines in electric costs, and flat water and sewer rates.
- Insurance Costs increased by 8.0%.
- The Price Index of Operating Costs for Rent Stabilized Apartment Buildings is projected to increase 4.4% next year.

Introduction

The *Price Index of Operating Costs* (PIOC) measures changes in the cost of purchasing a specified set of goods and services (market basket) used in the operation and maintenance of rent stabilized apartment buildings in New York City. The PIOC consists of seven cost components: Taxes, Labor Costs, Fuel, Utilities, Maintenance, Administrative Costs and Insurance Costs. The specific goods and services (items) within each component were originally selected based on a study of 1969 expenditure patterns by owners of rent stabilized apartment buildings. The specific items included in each component have changed over time in order to reflect changes in owner expenditure patterns. The methodology for determining the costs for each component is described in the final section of this report. The measured price changes (price relatives), in each index component are presented in Appendix B.2. The relative importance of each index component as a percentage of total operating and maintenance expenditures is shown by its "expenditure weight" (see Appendix B.2). The 2016-2017 price changes and expenditure weights are then combined to provide the overall change in the PIOC for 2016-2017.[1]

Changes in the overall PIOC result from changes in the prices of individual goods and services, each weighted by its relative importance as a percentage of total operating and maintenance (O&M) expenditures. Because the market basket is fixed in the sense that the quantities of goods and services of each kind remain constant, the relative importance of the various goods and services will change when their prices increase either more quickly or more slowly than average. Thus, the relative importance, or weight, attached to each good or service changes from year to year to reflect the different rates of price change among the various index items.

Overview

This year, the PIOC for all rent stabilized apartment buildings increased by 6.2%. Increases occurred in all PIOC components except Utilities, which declined by 0.8%. The largest increase in any component was seen in Fuel (24.6%), followed by Insurance Costs (8.0%) and Taxes (7.8%). More moderate increases occurred in Labor Costs (4.1%), Administrative Costs (3.5%), and Maintenance (2.5%). The growth in the Consumer Price Index (CPI) during this same time period was lower than the PIOC, rising 1.4%.[2] See Appendix B.2

Apartments

Change In Costs for Rent Stabilized Apartment Buildings, March 2016 to March 2017

Taxes	7.8%
Labor Costs	4.1%
Fuel	24.6%
Utilities	-0.8%
Maintenance	2.5%
Administrative Costs	3.5%
Insurance Costs	8.0%
All Costs	**6.2%**

and the table on this page for changes in costs and prices for all rent stabilized apartment buildings from 2016-2017.

The "Core" PIOC, which excludes changes in fuel oil, natural gas, and steam costs used for heating buildings, is useful for analyzing long-term inflationary trends. The Core PIOC rose by 4.5% this year and was lower than the overall PIOC due to the exclusion of costs in the Fuel component, which rose 24.6%.

Price Index Components

Taxes

The Taxes component of the PIOC is based entirely on real estate taxes and accounts for over one-quarter of the overall price index. The change in tax cost is estimated by comparing aggregate taxes levied on rent stabilized apartment buildings in Fiscal Year (FY) 2016 and FY 2017.

Aggregate real estate taxes rose this year by 7.8%. The growth in taxes was primarily due to an 8.4% rise in assessments. The rise in assessments was offset by a rise in the total value of exemptions, which had the effect of lowering the total rise in taxes by 0.65%. Change in tax rates (0.06%) and tax abatements had little impact on the change in Taxes for 2017.

Tax Levy — The total tax levy for all properties in the City (commercial and residential) increased by 6.8% from FY 2016 to FY 2017. The large majority of rent stabilized apartments are contained in mult-family buildings that are in Tax Class Two. The total Class Two property levy rose at a faster pace than that of the City as a whole, at a rate of 8.9%. The distribution of the levy among property classes tends to shift from year to year. From FY 2016 to FY 2017, the levy share for Class Two properties increased by 0.71 percentage points, from 36.55% to 37.26% of the total tax burden. This is significantly higher than the 26.3% share that was established at the inception of the four-class tax system in 1983.

Tax Rate — The average annual FY 2016 Class Two tax rate of 12.883 increased by 0.07%, resulting in a new annualized rate of 12.892 for FY 2017. This is the second time in the past five years that the Class Two tax rate increased. For a historical perspective on changes in the tax rate, abatements, and exemptions, see the graph on the following page.

Assessments — Assessed valuations of properties containing rent stabilized units rose by 8.4% Citywide in FY 2017. Assessments rose in all five boroughs, with Brooklyn witnessing the highest growth at 12.5%, followed by Staten Island at 8.8%, the Bronx at 8.7%, Queens at 8.5% and Manhattan at 7.4%. Buildings in Manhattan account for much of the change in assessed value Citywide. This was true in FY 2017, with 63%

Terms and Definitions

Price Index - the measure of price change in a market basket of goods and services.

Component - categories of goods and services, such as Labor Costs or Taxes, that comprise the market basket of a price index.

Item - representative individual goods and services within a component, such as Pushbroom, Plumbing, Faucet or Roof Repair.

Price Relative - the change of current and prior year's prices.

Expenditure Weight - the relative importance of the change in costs of different goods and services.

Specification - defined pricing units with specific terms of sale, such as cash, volume or trade discounts.

of all valuations emanating from this borough. For a historical perspective on changes in tax assessments, see the graph below.

Abatements and Exemptions — This year, the number of rent stabilized buildings receiving tax abatements declined by 5.3% from the previous fiscal year. However the average benefit value of the typical tax abatement increased, by 11.5% from FY 2016 to FY 2017. The net impact of the decrease in the number of buildings receiving abatements and the increase in the average abatement value was a negligible decrease in the overall change in Taxes of just 0.07%.

In FY 2017, 0.6% fewer rent stabilized buildings benefited from tax exemptions. However, the value of the average tax exemption increased by 4.2%. This combination of an increase in the average value of tax exemptions and the decrease in the number of buildings receiving exemptions resulted in reducing the increase in the overall change in Taxes by 0.65%. (See Appendices B.5 and B.6.)

Labor Costs

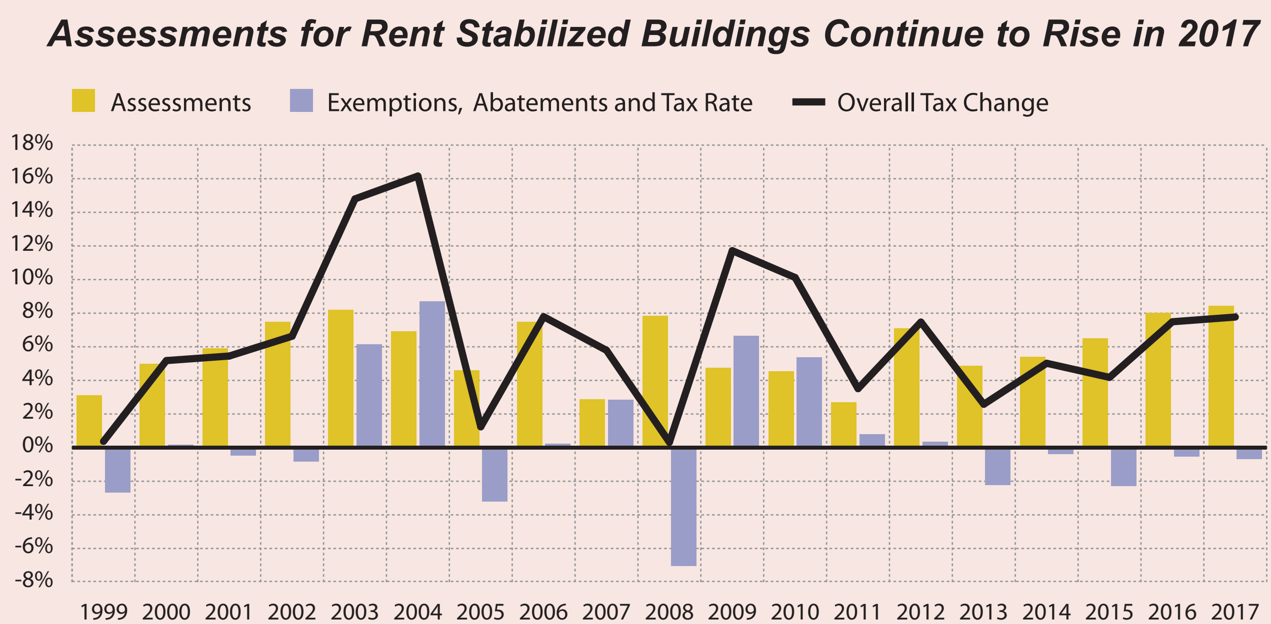
The Price Index measure of Labor Costs includes union and non-union salaries and benefits, in addition to Social Security and unemployment insurance. The cost of unionized labor makes up two-thirds of the Labor Costs component. The entire Labor Costs component comprises 16.5% of the overall Price Index.

Labor Costs rose 4.1%, compared to 3.2% in the previous year. The rise in Labor Costs was due to increases in union and non-union wages, as well as rising costs in healthcare and pension contributions.

Wages comprise three-quarters of the Labor Costs component. Non-union pay increased by 5.6%, 0.2 percentage points lower than the increase seen in the 2016 PIOC (5.8%). Unionized wages also rose, rising by 2.4%, a slower rise than the 3.0% increase witnessed last year.

Health and welfare benefits, which comprises more than 21% of the Labor Costs component, increased 5.8%.

Percent Change in Taxes due to Assessments and Exemptions/Abatements/Tax Rate 1999-2017



Source: New York City Department of Finance

Fuel

The Fuel component comprises 8.6% of this year's Price Index. The change in cost measured in this component considers both the change in weather and the change in prices for heating multifamily buildings by fuel oil, natural gas, and steam.[3]

This year the Fuel component increased 24.6%, following a 41.2% decrease in the prior year. Natural gas costs, which account for 48% of the overall costs in this component, rose, increasing 27.8%. The cost for heating buildings by fuel oil makes up 44% of this component, and increased 22.1%. Steam costs rose 20.5%, but these costs account for only nine percent of the Fuel component.

Fuel oil cost carries the second most weight in the Fuel component. The PIOC measured fuel oil prices from April to March and then compared them to the same months from the previous year. Over the past 12 months, fuel oil prices, which do not take weather into account, increased by 7.3%. The price for #2 oil, which comprises 29% of this component, increased by 3.4%. Prices for #4 heating oil, comprising just under 15% of this component, also rose, increasing 14.9%.

Along with measuring price, the PIOC also takes into account the effect of weather on the demand for fuel, especially during the heating season when the large majority of fuel is burned. Since the weather this year was significantly colder than last year, the increase in fuel cost was greater than it would have been if prices alone were considered. For instance, the increase in fuel oil costs was greater than the rise in fuel oil prices, with prices increasing 7.3%, but costs rising 22.1%. In years where the weather does not vary much from the prior year, the change in the cost of fuel oil is roughly equal to that of the change in price, such as in 2015. See the table on this page for a comparison of the past ten years of fuel oil cost relatives to fuel oil prices.

Fuel Oil Cost Relatives vs. Change in Fuel Prices, 2008-2017

PIOC Year	*Fuel Oil Cost Relative**	*Change in Fuel Oil Price***
2017	22.1%	7.3%
2016	-45.5%	-30.9%
2015	-23.4%	-22.5%
2014	7.8%	0.3%
2013	20.0%	2.9%
2012	1.6%	20.8%
2011	23.1%	20.3%
2010	0.5%	6.7%
2009	-10.1%	-16.9%
2008	37.4%	38.4%

* The Fuel Oil Cost Relative factors in the effect of weather on total fuel oil consumption. In months that are colder than the same month in the prior year, the weather factor will put upward pressure on the fuel oil relative. In months that are warmer than the same month in the prior year, downward pressure is placed on the Fuel Oil Cost Relative.

** Weighted change in #2, #4 and #6 fuel oil prices. From 2016 forward, weighted change in #2 and #4 fuel oil prices only.

Source: NYC RGB Price Indices of Operating Costs, 2008-2017

Utilities

The Utilities component consists of non-heating natural gas and electricity costs, as well as water and sewer charges, and it comprises 10.8% of this year's Price Index. In the case of the gas and electricity items, changes in costs are measured using the PIOC specifications (e.g., the quantity of electricity and gas being purchased) and the changes in rate schedules. Water and sewer costs are based on rate adjustments set by the NYC Water Board and they account for over 71% of the Utilities component.

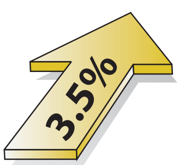
This year Utilities decreased 0.8%, compared to a 0.3% decrease in the previous year. The decline in this component was driven by decreases in the cost of electricity, as well as flat water and sewer rates. Electricity costs, which account for almost 28% of this component, declined by 3.2%, while gas costs, which account for less than one percent of the Utilities component, rose 6.0%. But water and sewer charges, which account for more than 71% of this component, were flat following a lawsuit that successfully challenged a planned 2.1% increase by the NYC Water Board.

Maintenance

The Maintenance component accounts for 17.5% of this year's Price Index. The Maintenance component rose 2.5%, less than last year's rise of 2.8%. Of the 39 expense items contained in this component, just three items account for more than half of its expenditure weight: Repainting, Plumbing (faucet), and Plumbing (stoppage). This year, painters' rates rose 2.3%, less than the 3.4% recorded last year. Combined plumbing rates increased at a faster pace, rising 5.0%, more than last year's rise of 1.6%. Painters and plumbers reported that increases in the cost of labor and materials were the primary factors causing an increase in their rates.

Other price increases of note were boiler repairs (1.0%), elevator contracts (3.4%), and roof repair (1.1%), which represent a total of six expense items and account for 23% of this component. See Appendix B.2 for the price relatives and expenditure weights for all Maintenance items.

Administrative Costs



Fees paid to management companies, accountants, and attorneys make up 85% of this component. This year, Administrative Costs rose 3.5%, 0.8 percentage points more than last year's rise of 2.7%. Administrative Costs comprise 13.2% of the PIOC.

A large portion of the growth in the Administrative Costs component can be attributed to a rise in management company fees (4.1%) that comprise just over half of this component.[4] Management fees are often tied to apartment rental income and are affected by changes in rents and vacancies. This year's growth is greater than last year's (3.6%), indicating that management companies increased their fees and/or rents increased at a faster pace than last year. This greater rise in management fees may also indicate that vacancies and/or collection losses in managed buildings decreased compared to the previous year.

Accounting fees increased in this year's PIOC by 3.5%, greater than last year's rise of 2.3%. Attorney fees rose 4.0%, 1.6 percentage points more than last year's growth of 2.4%.

Communications, which accounts for almost 6% of the Administrative Costs component, decreased 1.2%. There were rises in the two components newly added last year, copy paper and P.O. boxes, which rose by 0.4% and 2.1%, respectively. (See Appendix B.2.)

Insurance Costs

For the sixth consecutive year there was an increase in the Insurance Costs component, rising 8.0%, compared to last year's increase of 8.2%. Insurance Costs account for 5.1% of the PIOC.

Changes in insurance costs for owners varied by the amount of the policy. Policies that cost more than $6,325, which represent half of all verified insurance quotes, saw an average increase in cost of 8.9% upon renewal. Buildings with policies that cost $6,325 or less saw an increase of 4.1%.

PIOC by Building Type

The 1983 Expenditure Study provided a basis for calculating separate sets of expenditure weights for different types of buildings that contain rent stabilized units. In addition to the price index for all rent stabilized apartments, the PIOC includes separate indices for buildings constructed before 1947 (pre-1947) and for buildings constructed in 1947 or later (post-1946), as well as for gas-heated and oil-heated buildings. (See Appendix B.3.)

Typically, buildings constructed before 1947 incur a lower percentage of operating and maintenance costs for property taxes and labor costs than post-1946 buildings. However, fuel costs for heating pre-1947 buildings, which increased by 25.0%, represent a significantly higher percentage of total operating and maintenance costs. As a result, total costs in the Pre-1947 Index rose by 6.7%, while costs in the Post-1946 Index rose by a lesser amount, 5.7%.

Indices were also calculated for different types of heating systems. These heating system indices differ from the price index for all apartments because the expenditure weight for the Fuel component differs from

Hotels

Change In Costs for Rent Stabilized Hotel Buildings, March 2016 to March 2017

Taxes	6.4%
Labor Costs	4.7%
Fuel	18.1%
Utilities	-1.7%
Maintenance	1.3%
Administrative Costs	2.6%
Insurance Costs	8.0%
All Costs	**6.3%**

Lofts

Change In Costs for Rent Stabilized Loft Buildings, March 2016 to March 2017

Taxes	7.8%
Labor Costs	4.7%
Fuel	25.9%
Utilities	-0.3%
Maintenance	2.1%
Admin Costs-Legal	4.0%
Admin Costs-Other	3.9%
Insurance Costs	8.0%
All Costs	**6.9%**

index to index. Because the Fuel component carries more weight in oil-heated buildings versus those heated by gas, the Oil-Heated Index (6.5%) rose more than the Gas-Heated Index (6.0%).

Rent Stabilized Hotels

The Hotel Price Index includes separate indices for each of three categories of rent stabilized hotels (due to their dissimilar operating cost profiles) and a general index for all rent stabilized Hotels. The three categories of hotels are: 1) "traditional" hotels — a multiple dwelling that has amenities such as a front desk, maid or linen services; 2) Rooming Houses — a multiple dwelling other than a hotel with thirty or fewer sleeping rooms; and 3) single room occupancy hotels (SROs) — a multiple dwelling in which one or two persons reside separately and independently of other occupants in a single room.

The Price Index for all rent stabilized Hotels increased 6.3% this year, a 10.2 percentage point increase from the 3.8% decline in 2016. It is important to note that the Hotel PIOC was not reweighted using the most current Real Property Income and Expense (RPIE) data (see Endnote 1). However, in order to maintain symmetry between indices, the expense items were aligned to the seven components now used in the Apartment PIOC. The realignment of the hotel expenditure items had no impact on the change in the overall PIOC, which would have remained 6.3% if the old alignments were used.

This year, the Hotel Fuel component rose 18.1%, due to significant increases in the cost of fuel oil and natural gas used for heating hotel buildings in NYC. The Fuel component accounts for over 12% of the entire Hotel Index. Five of the remaining six components witnessed cost increases, with Insurance Costs having the highest rise of 8.0%, followed by Taxes at 6.4%. More moderate increases were seen in Labor Costs (4.7%), Administrative Costs (2.6%), and Maintenance (1.3%). Costs fell in the Utilities component, by 1.7%. See the table on this page for changes in costs and prices for all rent stabilized hotels from 2016-2017.

Among the different categories of Hotels, the index for "traditional" hotels increased 6.2%, Rooming Houses by 5.2%, and SROs by 7.0%. (See Appendices B.4 and B.7.)

Rent Stabilized Lofts

Similar to the Hotel Index, the Loft PIOC expenditure component weights were not reweighted using the most current RPIE data (see Endnote 1). However, the Loft expenditure items were placed into the seven components used in the Apartment PIOC, except for the Attorney Fees expense item, which has traditionally been its own, separate expense component. Therefore, the Loft Index has eight components. Because these items were not reweighted, just moved, the overall change in the

Loft PIOC can be compared historically to past indices.

The increase in the Loft Index this year was 6.9%, 7.2 percentage points higher than the 0.3% decrease in 2016. Increases in costs were seen in seven of the eight components that make up this index. Fuel Costs witnessed the highest rise, increasing 25.9%, followed by increases in Insurance Costs of 8.0% and in Taxes of 7.8%. More moderate increases were seen in Maintenance (2.1%), Labor Costs (4.7%), and Administrative Costs-Legal (4.0%) as well as Administrative Costs-Other (3.9%). These increases were marginally offset by a decline in Utilities of 0.3%. See the table on the previous page and Appendix B.8 for changes in costs and prices for all rent stabilized lofts from 2016-2017.

2018 Projections

Projected Change In Costs for Rent Stabilized Apartment Buildings, March 2017 to March 2018

Taxes	5.7%
Labor Costs	3.5%
Fuel	5.8%
Utilities	3.5%
Maintenance	2.7%
Administrative Costs	3.3%
Insurance Costs	7.8%
All Projected Costs	**4.4%**

The Core PIOC

The Core PIOC, which measures long-term trends by factoring out shifts in fuel costs for heating rent stabilized buildings in NYC, rose 4.5% in 2017. The rise in the 2017 Core PIOC was 1.7 percentage points lower than the Apartment Index (6.2%), and 0.3 percentage points higher than last year's Core (4.2%). This year's Core PIOC rose at a slower pace than the overall PIOC because fuel costs, which were not used to calculate the Core, increased 24.6%.

PIOC Projections for 2018

Section 26-510 of the Rent Stabilization Law requires the Board to consider prevailing and projected operating and maintenance costs for buildings containing rent stabilized apartments. Projections for components of the PIOC are performed to provide the Rent Guidelines Board with an estimate of how much costs are expected to rise in the year following the current Price Index.

Projecting changes in the PIOC has become more challenging in recent years. Energy prices — which represent roughly one-tenth of the market basket of operating costs measured in the index — have become increasingly volatile. Unpredictable geo-political events, recession and changing weather patterns are some of the forces behind large changes in fuel costs that have in turn limited the accuracy of the PIOC projections in recent studies. The tax component, which accounts for more than a quarter of the entire Price Index, has also become harder to project due to changes in tax policy, such as tax rate reductions and changes to the City's tentative assessment roll, after the period covered in this Price Index.

This year, operating costs in rent stabilized apartment buildings increased by 6.2%, versus last year's projected PIOC increase of 5.5%, a difference of 0.7 percentage points. The component that had the most impact in the difference between actual and projected changes in costs was Fuel. Fuel cost was projected to rise 16.2%, but actually rose 24.6% in 2017. Other notable differences were found in the Utilities and Insurance Costs components. Utilities, which were projected to rise by 2.1%, fell instead by 0.8%, a difference of nearly 3.0 percentage points. Insurance Costs, which were projected to increase by 5.0%, rose instead by 8.0%, a 3.0 percentage point difference. The remaining 2017 projected components of the PIOC were all within 1.7 percentage points of the actual measured changes.

Overall, the PIOC is expected to grow by 4.4% from 2017 to 2018. Costs are predicted to rise in each component, with the largest growth, of 7.8%, projected to be in Insurance Costs. Taxes, which is the component that carries the most weight in the Index, is projected to increase 5.7%. Other projected increases include Fuel (5.8%), Labor Costs (3.5%), Maintenance (2.7%), Administrative Costs (3.3%) and

Utilities (3.5%). The table on the previous page shows projected changes in PIOC components for 2018. The core PIOC is projected to rise 4.3%, 0.1 percentage points less than the overall projected Apartment PIOC.

Commensurate Rent Adjustments

Throughout its history, the Rent Guidelines Board has used a formula, known as the commensurate rent adjustment, to help determine annual rent guidelines for rent stabilized apartments. In essence, the "commensurate" combines various data concerning operating costs, revenues, and inflation into a single measure to determine how much rents would have to change for net operating income (NOI) in rent stabilized buildings to remain constant. The different types of "commensurate" adjustments described below are primarily meant to provide a foundation for discussion concerning prospective guidelines.

In its simplest form, the commensurate rent adjustment is the amount of rent change needed to maintain owners' current dollar NOI at a constant level. In other words, the commensurate provides a set of one- and two-year renewal rent adjustments or guidelines that will compensate owners for the change in prices measured by the PIOC and keep net operating income "whole."

The first commensurate method is called the "Net Revenue" approach. While this formula takes into consideration the term of leases actually signed by tenants, it does not adjust owners' NOI for inflation. The "Net Revenue" formula is presented in two ways: First, adjusting for the mix of lease terms; and Second, adding an assumption for rent stabilized apartment turnover and the impact of revenue from vacancy increases. Under the "Net Revenue" formula, a guideline that would preserve NOI in the face of this year's 6.2% increase in the PIOC is 5.0% for a one-year lease and 8.0% for a two-year lease. Using this formula, and adding assumptions for the impact of vacancy increases on revenues when apartments experience turnover, result in guidelines of 3.0% for one-year leases and 6.0% for two-year leases.

The second commensurate method considers the mix of lease terms while adjusting NOI upward to reflect general inflation, keeping both operating and maintenance (O&M) costs and NOI constant. This is commonly called the "CPI-Adjusted NOI" formula. A guideline that would preserve NOI in the face of the 1.4% increase in the Consumer Price Index (see Endnote 3) and the 6.2% increase in the PIOC is 6.0% for a one-year lease and 8.5% for a two-year lease. Guidelines using this formula and adding the estimated impact of vacancy increases are 3.75% for one-year leases and 6.75% for two-year leases.[5]

The third commensurate method, the "traditional" commensurate adjustment, is the formula that has been in use since the inception of the Rent Guidelines Board and is the only method that relies on the PIOC projection. The "traditional" commensurate yields 4.0% for a one-year lease and 5.5% for a two-year lease. This reflects the increase in operating costs of 6.2% found in the 2017 PIOC and the projection of a 4.4% increase next year.

All of these commensurate methods have limitations. The "Net Revenue" formula does not attempt to adjust NOI based on changes in interest rates or the effect of inflation. The "CPI-Adjusted NOI" formula inflates the debt service portion of NOI, even though interest rates have been historically low over recent years. For both of these commensurate methods, including a consideration of the amount of income owners receive on vacancy assumes that turnover rates are constant across the City.

As a means of compensating for cost changes, the "traditional" commensurate rent adjustment has two major flaws. First, although the formula is designed to keep owners' current dollar income constant, the formula does not consider the mix of one- and two-year lease renewals. Since only about two-thirds of leases are renewed in any given year, with a majority of leases being renewed having a one-year duration, the formula does not necessarily accurately estimate the amount of income needed to compensate owners for O&M cost changes.

A second flaw of the "traditional" commensurate formula is that it does not consider the erosion of owners' income by inflation. By maintaining current dollar NOI at a constant level, adherence to the formula may cause profitability to decline over time. However, such degradation is not an inevitable consequence of using the "traditional" commensurate formula.[6]

Finally, it is important to note that only the "traditional" commensurate formula uses the PIOC projection and that this projection is not used in conjunction with, or as part of, the "Net Revenue" and "CPI-Adjusted NOI" formulas. As stated previously, all three formulas attempt to compensate owners for the adjustment in their operating and maintenance costs measured each year in the PIOC. The "Net Revenue" and the "CPI-Adjusted NOI" formulas attempt to compensate owners for the adjustment in O&M costs by using only the known PIOC change in costs (6.2%). The traditional method differs from the other formulas in that it uses both the PIOC's actual change in costs as well as the projected change in costs (4.4%).

Each of these formulae may be best thought of as a starting point for deliberations. The other Rent Guidelines Board annual research reports (e.g., the *Income and Affordability Study* and the *Income and Expense Study*) and public testimony received by the Board can be used to modify the various commensurates depending on other considerations.

Commensurates

"Net Revenue" Commensurate Adjustment

1-Year Lease	2-Year Lease
5.0%	8.0%

"Net Revenue" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
3.0%	6.0%

"CPI-Adjusted NOI" Commensurate Adjustment

1-Year Lease	2-Year Lease
6.0%	8.5%

"CPI-Adjusted NOI" Commensurate Adjustment with Vacancy Increase

1-Year Lease	2-Year Lease
3.75%	6.75%

"Traditional" Commensurate Adjustment

1-Year Lease	2-Year Lease
4.0%	5.5%

Methodology

The Price Index measures changes in the cost of purchasing a specified set of goods and services, which must remain constant both in terms of quantity and quality from one year to the next. The need to exclude the effect of any alterations in the quality of services provided requires that very careful specifications of the goods and services priced must be developed and applied. The pricing specifications must permit the measurement of changes in prices paid for carefully defined pricing units with specific terms of sale, such as cash, volume or trade discounts.

The Methodology section of this report outlines the methods used to calculate each component of the 2017 PIOC, as well as the PIOC projection for 2018.

Owner Survey

The Owner Survey gathers information on management fees, insurance, and non-union labor from building managers and owners. Survey questionnaires, accompanied by a letter describing the purpose of the PIOC, were mailed to the owners or managing agents of rent stabilized buildings. If the returned questionnaire was not complete, an interviewer contacted the owner/manager and gathered the missing information. Owners could complete the survey online or by mail. All of the price information given by the owner/managing agent was then confirmed by calling the relevant insurance and management companies and non-union employees. The data gathered by the Owner Survey is the only owner-reported data used in the PIOC, representing 17% of the total costs measured in the Price Index.

In order to keep the PIOC relevant, the Owner Survey is also used to update the individual items within the PIOC components. Each year, one component is included as part of the Survey, with the results of the gathered expenditure data used to reweight the chosen component's items in the next year's PIOC.[7]

The sample frame for the Owner Survey included over 40,000 rent stabilized buildings registered with the New York State Division of Housing and Community Renewal (DHCR). A random sampling scheme was used to choose 5,100 addresses from this pool for the Owner Survey. The number of buildings chosen in each borough was nearly proportional to the share of rent stabilized buildings in that borough. Three successive mailings were sent at timed intervals to the owner or managing agent of each property selected in the survey sample.

Roughly 7.1% of the questionnaires mailed out received a response, a lower rate than last year (10.4%). A total of 337 returned surveys contained usable information, from which reports of owners' annual insurance costs (294), non-union labor costs (96) and management fees (51) were validated. The number of verified prices in 2016 and 2017 for the Owner Survey is shown in Appendix B.1.

Taxes

The buildings used to compute the 2017 tax price relative was developed by providing a list of rent stabilized properties registered with DHCR to the NYC Department of Finance. Finance "matched" this list against its records to provide data on assessed value, tax exemptions, and tax abatements for almost 39,000 buildings in FY 2016 and FY 2017. This data was used to compute a tax bill for each rent stabilized building in each of these fiscal years. The change computed for the PIOC is simply the percentage difference in aggregate tax bills for these buildings from FY 2016 to FY 2017.

Labor Costs

Approximately two-thirds of the Labor Costs component consists of the cost of unionized labor. Rate increases for unionized labor, including wage increases and health benefits, come directly from the contracts of unions that represent workers in rent stabilized apartment buildings and hotels. The cost of Social Security and unemployment insurance is obtained from the NYS Department of Labor and the Internal Revenue Service (IRS). Wage increases for non-union labor are obtained from the Owner Survey (see methodology on previous page).

Fuel

The Fuel component consists of all types of fuel used for heating buildings, including oil, natural gas, electricity and steam.

Almost 44% of this component is the cost of fuel oil. Fuel oil price information is gathered on a monthly basis using a telephone survey. A monthly survey makes it possible to keep in touch with fuel oil vendors and to gather the data on a consistent basis (i.e., on the same day of the month for each vendor). Vendors are called each month to minimize the likelihood of misreporting and also to reduce the reporting burden for the companies by eliminating the need to look up a year's worth of prices. The number of fuel oil quotes gathered this year for #2 and #4 oil is similar to last year and is contained in Appendix B.1. To calculate changes in fuel oil costs, monthly price data is weighted using a degree-day formula to account for changes in the weather. The number of Heating Degree Days (see Endnote 4) is a measure of heating requirements.

The Fuel component includes not only the cost of fuel oil, but also the cost to heat buildings with natural gas, electricity and steam. For these items, RGB staff calculates a hypothetical monthly bill for utilities based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. Because these items represent prices to heat buildings, monthly price data is adjusted to account for changes in weather. The price relatives for all items in the Fuel component were calculated by comparing the most recent 12-month period from April-March with the prior April-March period.

Following an owner survey of heating costs in 2016, the weights for the different fuel types in this component were updated in 2017. Notably, more weight was given to heating by natural gas (rising from 29% of the Fuel component in 2016 to 48% in 2017). There was also more weight given to heating by steam, which rose from 3% of Fuel costs in 2016 to 9% in 2017. Correspondingly, the weight of both #2 and #4 fuel oil fell.

Utilities

The Utilities component consists of costs for non-heating electricity and natural gas, as well as water and sewer charges. RGB staff calculates a hypothetical monthly bill for electricity and natural gas based in part on supply rates, fuel adjustments, delivery charges, taxes, and other surcharges and fees. Bills are calculated based on typical usage in a multi-family building in New York City, an amount that remains constant from year to year. The price relatives for electricity and natural gas items in the Utilities component were calculated by comparing the most recent 12-month period from April-March with the prior April-March period.

Water and sewer price changes are based on annual rate adjustments set by the NYC Water Board.

Maintenance

All prices for items in this component are obtained using a Vendor Survey. This Survey is used to gather price quotes for items such as painting and other services performed by contractors; hardware and cleaning items (e.g., mops and floor polish); and appliances that need periodic replacement (e.g., refrigerators and stoves). Each year the vendor database is updated by adding new vendors and by deleting those who no longer carry the products or perform the services outlined in the Vendor Survey item specifications. Vendor quotes were obtained over the telephone, and for non-service based items by telephone and from websites that carry items in the PIOC's market basket of goods. A total of 620 recorded price quotes were gathered. For a description of the items priced and the number of price quotations obtained for each item, refer to Appendix B.1.

Administrative Costs

Management fees are obtained directly from building owners and managers, using the Owner Survey (see "Owner Survey" section on page 21). Other expense items, such as accountant and attorney fees, are obtained using the Vendor Survey (see "Maintenance" section, above). For communications costs, because there are so many variations in types of plans for internet and phone service, staff relied on the national Consumer Price Index to obtain price changes for these items. Monthly price changes were obtained from the U.S. Bureau of Labor Statistics website and were calculated by comparing the most recent 12-month period from March-February with the prior March-February period. For a list of all the expense items contained in the Administrative Costs component, see Appendix B.1.

Insurance Costs

The Owner Survey asks owners to provide information about their current and prior year's insurance policies. Temporary workers call the relevant insurance agents/brokers to verify this information. Only verified insurance costs are included in the PIOC.

Price Index Projections

The PIOC Projections are estimated by using data from federal, state and local agencies; estimates from industry experts; and trend forecasting using three-year or long-term averages. The projections in this report are based on the time period from April 2017 to March 2018.

Taxes were projected by using data from the Department of Finance's tentative assessment roll for FY 2018 along with estimates of how the final PIOC tax index has compared to the change in the tentative assessment roll over the last decade. These estimates produce a projected tax cost for the owners of rental properties. Labor costs are projected by calculating the average wage increase of the most recent labor contracts for apartment workers union Local 32-BJ and a ten-year geometric average of all other Labor Costs items. Fuel oil costs are projected by using data and information from the U.S. Energy Information Administration's (EIA) current "Short-Term Energy Outlook" report, which includes assumptions about changes in usage according to a projected return to the average temperature over the last five years. Utility costs are projected by obtaining rate projections for the coming year from the New York City Water Board and EIA projections. Natural gas rate projections are also combined with assumptions about usage as if the coming year's weather had the five-year average number of Heating Degree Days.[8]

The other components — Administrative Costs, Insurance Costs, and Maintenance — are projected by using three-year geometric averages of the component price relatives.

Acknowledgments

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Endnotes

1. Prior to 2015, the relative importance of the various goods and services in the market basket was based on a 1983 study of expenditure patterns of owners of rent stabilized apartment buildings. In 2015, the PIOC component expenditure weights for apartment buildings were changed to the expenditure patterns found in the RGB's annual Income and Expense (I&E) Study, which allows for the annual updating of expenditure patterns based on what owners report to the NYC Department of Finance as their actual costs on Real Property Income and Expense (RPIE) statements required by Local Law 63 (enacted in 1986). Note that only the Apartment PIOC is weighted with data from RPIE reports. The Hotel and Loft PIOCs continue to use the 1983 study. For a full description of the methodological changes to the expenditure weights used in the current PIOC, please refer to the RGB *2015 Price Index of Operating Costs* report at http://nycrgb.org/html/research/cresearch.html

2. The average CPI for All Urban Consumers, New York-Northeastern New Jersey for the year from March 2015 to February 2016 (260.9) compared to the average for the year from March 2016 to February 2017 (264.5) rose by 1.4%. This is the latest available CPI data and is roughly analogous to the 'PIOC year', which for the majority of components compare the most recent point-to-point figures from April to March, monthly cost-weighted figures from April to March, or the two most recent PIOC year bills.

3. The cost-weight relatives are calculated on an April to March time period. The April 2016 to March 2017 time period was 18.3% colder than the previous April to March period. "Normal" weather refers to the typical number of Heating Degree Days measured at Central Park, New York City, over the 30-year period from 1981-2010. A Heating Degree Day is defined as, for one day, the number of degrees that the average temperature for that day falls below 65 degrees Fahrenheit.

4. See Methodology section of the *2016 Price Index of Operating Costs* report for changes in the weighting of Administrative Costs items in 2016 at http://nycrgb.org/html/research/cresearch.html

5. The following assumptions were used in the computation of the commensurates: (1) the required change in owner revenue is 64.0% of the 2017 PIOC increase of 6.2%, or 4.0%. The 64.0% figure is the most recent ratio of average operating costs to average income in rent stabilized buildings; (2) for the "CPI-Adjusted NOI" commensurate, the increase in revenue due to the impact of inflation on NOI is 36.0% times the latest 12-month increase in the CPI ending February 2017 (1.4%), or 0.5%; (3) these lease terms are only illustrative—other combinations of one- and two-year guidelines could produce the adjustment in revenue; (4) assumptions regarding lease renewals and turnover were derived from the *2014 Housing and Vacancy Survey*; (5) for the commensurate formulae, including a vacancy assumption, the 10.71% median increase in vacancy leases found in the rent stabilized apartments that reported a vacancy lease in the 2016 apartment registration file from the Division of Housing and Community Renewal was used; and (6) the collectability of these commensurate adjustments are assumed.

6. Whether profits will actually decline depends on the level of inflation, the composition of NOI (i.e., how much is debt service and how much is profit), and changes in tax law and interest rates.

7. In order to update the PIOC, this year an expenditure survey for Maintenance Costs was in included in the Owner Survey. The results of this survey were not used to reweight the expense items in Maintenance this year but may be incorporated in next year's PIOC.

8. Source: "Short-Term Energy Outlook," March 2017. U.S. Energy Information Administration, Department of Energy.

2017 Income and Expense Study

What's New

From 2014 to 2015, Net Operating Income (revenue remaining after operating expenses are paid) grew **10.8%**. This is the **11th** consecutive year that Net Operating Income has increased.

On average, in stabilized buildings, from 2014-2015:

- Rental income increased by **4.4%**
- Total income rose by **4.4%**
- Operating costs increased by **1.1%**
- Net operating income (NOI) grew by **10.8%**

Introduction

As part of the process of establishing rent adjustments for stabilized apartments, as required by the Rent Stabilization Law, the NYC Rent Guidelines Board (RGB) has analyzed the cost of operating and maintaining rental housing in New York City since 1969. Historically, the Board's primary instrument for measuring changes in prices and costs has been the Price Index of Operating Costs (PIOC), a survey of prices and costs for various goods and services required to operate and maintain rent stabilized apartment buildings.

In 1990, the RGB acquired a new data source that enabled researchers to compare PIOC-measured prices and costs with actual expenses reported by owners: Real Property Income and Expense (RPIE) statements from rent stabilized buildings collected by the NYC Department of Finance. These Income and Expense (I&E) statements, filed annually by property owners, provide detailed information on the revenues and costs of income-producing properties. The addition of I&E statements has greatly expanded the information base used in the rent adjustment-setting process. Further, by using consecutive RPIE filings from an identical set of buildings, a longitudinal comparison can be made that illustrates changes in conditions over a two-year period. Most importantly, I&E data encompasses both revenue and expenses, allowing the Board to more accurately gauge the overall economic condition of New York City's rent stabilized housing stock.

These findings examine the conditions that existed in New York's rent stabilized housing market in 2015, the year for which the most recent data set is available, and the extent to which these conditions changed from the prior year, 2014.

Local Law 63

The income and expense data for stabilized properties originates from Local Law 63, enacted in 1986. This statute requires owners of apartment buildings to file RPIE statements with the NYC Department of Finance annually. While certain types of properties are exempt from filing RPIE forms (cooperatives, condominiums, most residential-only buildings with fewer than 11 units or with an assessed value under $40,000), the mandate produces detailed financial information on thousands of rent stabilized buildings. Information on individual properties is strictly confidential. Therefore, to ensure only rent stabilized buildings are analyzed, the NYC Department of Finance releases summary data only after matching I&E data with building registration data from the NYS Division of Housing and Community Renewal (DHCR). The data used in RGB I&E studies this year includes 15,315 properties containing 698,546 units.

RPIE Study[1]

Rents and Income[2]

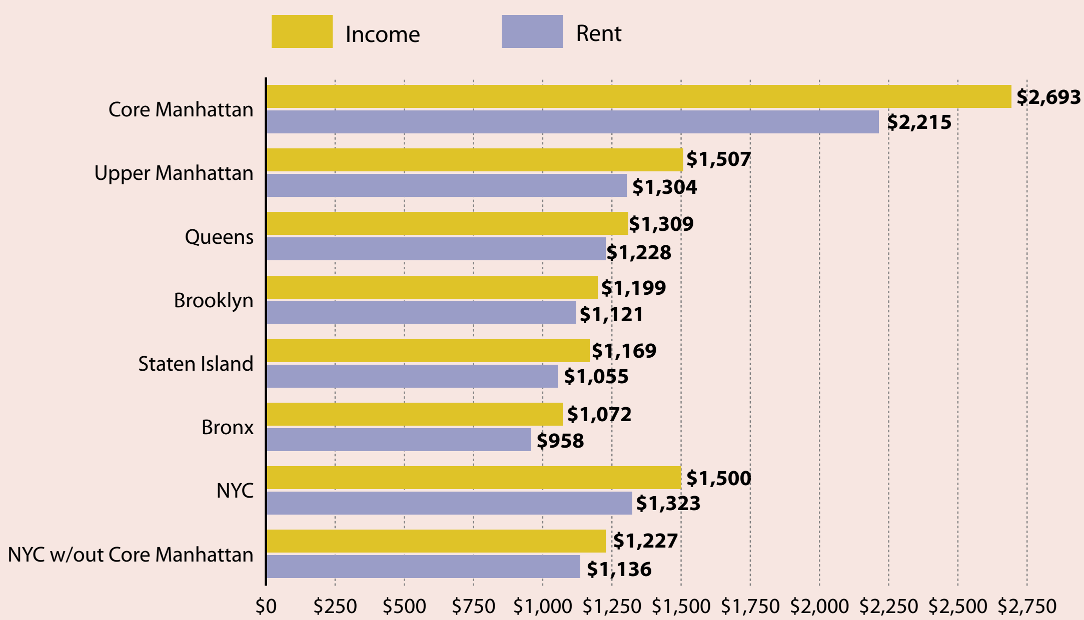
In 2015, rent stabilized property owners collected monthly rent averaging $1,323 per unit. As in previous years, units in pre-war buildings rented for less on average ($1,246 per month) than those in post-war buildings ($1,526 per month).[3] At the borough level, the average monthly rents in stabilized buildings were $1,852 in Manhattan ($2,215 in Core Manhattan[4] and $1,304 in Upper Manhattan; $1,228 in Queens; $1,121 in Brooklyn; $1,055 in Staten Island; and $958 in the Bronx. Average monthly rent per unit in the City, excluding Core Manhattan, was $1,136.

Examining medians, the median rent Citywide was $1,142. At the borough level, median monthly rent was $1,583 in Manhattan; $1,188 in Queens; $1,058 in Brooklyn; $1,013 in Staten Island; and $934 in the Bronx.

Many owners of stabilized buildings augment income from their apartment rents by selling services to their tenants as well as by renting commercial space. Current RPIE filings show an average monthly gross income of $1,500 per unit in 2015, with pre-war buildings earning $1,414 per unit and those in post-war properties earning $1,727 per unit. Gross income was highest in Core Manhattan, at $2,693 per unit per month, and lowest in the Bronx, at $1,072. Monthly income per unit in the City, excluding Core Manhattan, was $1,227. These gross income figures encompass rent from stabilized apartments as well as the sale of services (e.g., laundry, parking) and commercial income (e.g., retail, cell towers, billboards). Such proceeds accounted for an 11.8% share of the total income earned by building owners in 2015, unchanged from the previous year. By borough, income earned from services and commercial rents was 16.6% in Manhattan (17.7% in Core Manhattan and 13.5% in Upper Manhattan); 10.6% in the Bronx; 9.7% in Staten Island;

Average Monthly Collected Rent/Income per Dwelling Unit by Borough*

Rent and Income Were Highest in Manhattan in 2015



* See endnote 2
Note: Core Manhattan represents the area south of W 110th and E 96th Streets.
Upper Manhattan is the remainder of the borough.
Source: NYC Department of Finance, 2015 RPIE Data

6.6% in Brooklyn; and 6.2% in Queens. The graph on the previous page shows the average rent and income collected in 2015 by borough, and for the City.

Median Citywide income for owners in 2015 was $1,240. At the borough level, Manhattan had the highest median income, at $1,826; followed by Queens at $1,233; Brooklyn at $1,115; Staten Island at $1,103; and the Bronx at $1,021. (For rent and income averages and medians by borough and building age and size, see Appendices C.3 and C.4.)

Comparing Rent Measurements

Another data source, the NYS Division of Housing and Community Renewal (DHCR) annual registration data, provides important comparative rent data to the collected rents stated in RPIE filings. A comparison of the collected RPIE rents to the DHCR rents is a good indicator of the overall rental market and reflects both how well owners can collect the rent roll and the prevalence of vacancies.

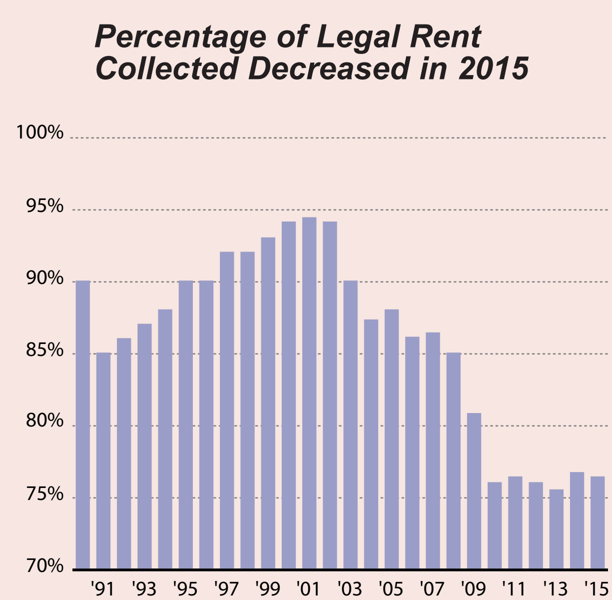
Rents included in RPIE filings are different than DHCR figures primarily because of differences in how average rents are computed. RPIE data reflects actual rent collections that account for vacancies or non-payment of rent. By contrast, DHCR data consists of legal rents registered annually with the agency. Because DHCR rent data does not reflect preferential rents,[5] nor include vacancy and collection losses, these rents are generally higher than RPIE rent collection data. Furthermore, RPIE information includes unregulated apartments in buildings containing rent stabilized units. Also, the RPIE information reflects rents collected over a 12-month period while DHCR data reflects rents registered on April 1, 2015. In sum, despite the anomalies between the two rent indicators, the difference between RPIE rents and DHCR rents reflects preferential rents as well as vacancy and collection losses incurred by building owners.

In comparing annual RPIE and DHCR average rents from 1991 to 2004, the gap between the two contracted steadily during that time. In fact, from 1991-2001, the difference between RPIE and DHCR rents decreased by almost two-thirds, from a difference of 15% between the two in 1991 to a difference of 5.6% in 2001. By contrast, from 2002 until 2015, the gap has grown in most years, including this past year, when, the gap rose from 23.3% in 2014 to the current 23.6%, as indicated by the average I&E rent of $1,323 and DHCR's average stabilized rent of $1,731.[6] The increase in the gap between collected and legal rent indicates that building owners are collecting a lower proportion of their maximum legal rent in 2015 (see graph on this page).

At the borough level, the gap between collected and legal rent varies. In 2015, Queens property owners collected an average rent ($1,228) that was 22.1% below DHCR's average legal rent for the borough ($1,578), while owners in the other boroughs collected average rents that were 23.1% lower than legal rents in Manhattan; 25.3% lower in the Bronx; 26.1% lower in Brooklyn; and 29.3% lower in Staten Island. At least part of this differential in the boroughs is due to preferential rents, usually offered when the legal stabilized rent exceeds the market rate for the area.

Another benchmark that can help place RPIE rent data in context is the RGB Rent Index, which measures the overall effect of the Board's annual rent increases on contract rents each year. As the table on the next page

Average Monthly Citywide Collected Rents as a Share of Average Monthly DHCR Legal Registered Rents, 1990-2015



Source: DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2015 RPIE Data.

shows, average RPIE rent growth was higher than the renewal lease increases allowed by the RGB's guidelines for a fifth consecutive year. RPIE rent growth, up 4.4%, was greater than the increase in the RGB rent index, which was up 2.2%, between 2014 and 2015 (adjusted to a calendar year).[7]

There are several ways in which rents may be raised beyond the RGB's guidelines, including the deregulation of apartment units; raising preferential rents; and through individual apartment and building-wide improvements.

Rent Comparisons, 1990-2015

2014-15 DHCR Legal Rents Grew Faster Than RPIE Collected Rents and RGB Rent Index

	RPIE Rent Growth	DHCR Rent Growth (Adjusted)§	RGB Rent Index (Adjusted)Ø
1990-91	3.4%	4.1%	4.1%
1991-92	3.5%	3.0%	3.7%
1992-93	3.8%	3.0%	3.1%
1993-94	4.5%	2.4%	2.9%
1994-95	4.3%	3.1%	3.1%
1995-96	4.1%	4.1%	4.5%
1996-97	5.4%	4.6%	5.2%
1997-98	5.5%	3.3%	3.7%
1998-99	5.5%	3.7%	3.8%
1999-00	6.2%	4.4%	4.2%
2000-01	4.9%	5.3%	5.0%
2001-02	4.0%	4.4%	4.5%
2002-03	3.6%	6.9%	4.1%
2003-04‡	-	1.6%	5.5%
2004-05	4.6%	5.8%	4.6%
2005-06	5.6%	7.2%	4.3%
2006-07	6.5%	6.0%	4.2%
2007-08	5.8%	5.9%	4.7%
2008-09	1.2%	5.4%	7.5%
2009-10	0.7%	5.4%	5.2%
2010-11	4.4%	5.7%	3.7%
2011-12	5.0%	5.8%	4.4%
2012-13	4.5%	5.4%	4.1%
2013-14	4.8%	5.1%	4.1%
2014-15	4.4%	4.5%	2.2%
1990 to 2015*‡	182.5%	205.1%	167.6%

* Not adjusted for inflation
§ See endnote 6 Ø See endnote 7
‡ See endnote 8
Sources: NYS DHCR Annual Rent Registrations; NYC Department of Finance, 1990-2015 RPIE Data

An extended view of the three indices illustrates that overall, DHCR legal rents have grown faster than both collected rents and RGB rent guidelines from 1990 to 2015. During that period, DHCR adjusted legal rents increased 205.1%; RPIE collected rents increased 182.5%; and the RGB Rent Index increased 167.6% (these figures are not adjusted for inflation).[6]

Operating Costs

Rent stabilized apartment buildings regularly incur several types of expenses. RPIE filings include data on eight categories of operating and maintenance (O&M) costs: taxes; labor; utilities; fuel; insurance; maintenance; administrative; and miscellaneous costs. Costs do not include debt service. However, in contrast to revenues, this data does not distinguish between expenses for commercial space and those for apartments, making the calculation of "pure" residential operating and maintenance costs impossible, except in a smaller data set of residential-only buildings. Thus, the operating costs reported are comparatively high because they include maintenance costs for commercial space.

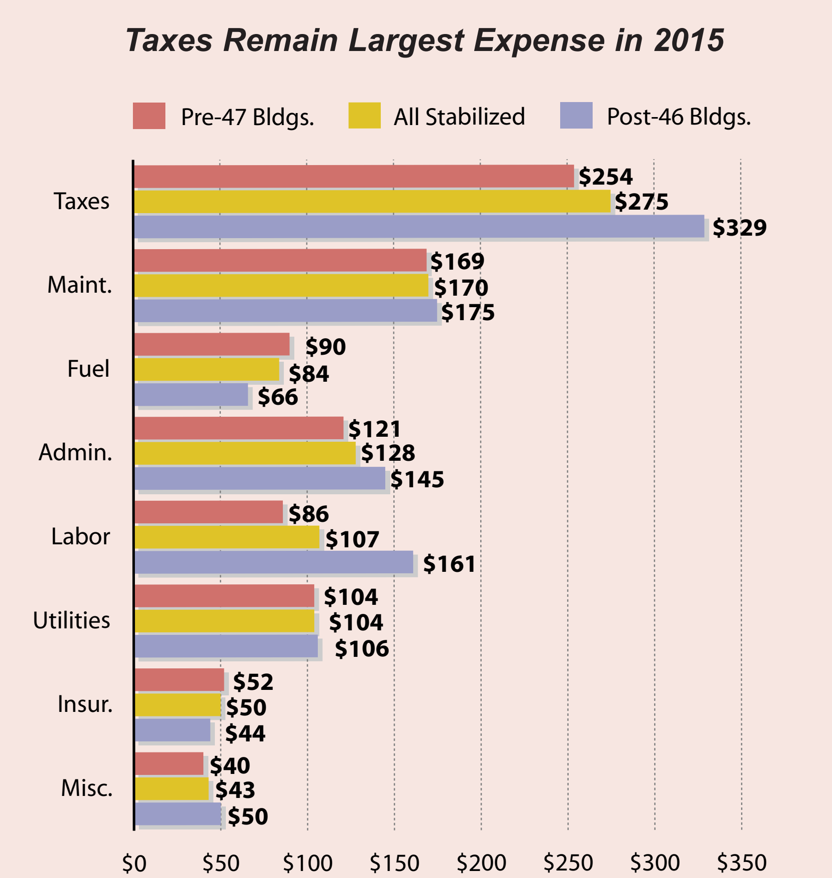
The average monthly operating cost for units in stabilized buildings was $960 in 2015. Costs were lower in units in pre-war structures ($916), and higher among post-war buildings ($1,077). Geographically, average costs were lowest in the Bronx ($745); Staten Island ($771); Brooklyn ($770); and Queens ($847); and highest in Manhattan ($1,365). Looking more closely at Manhattan buildings, costs for units located in Core Manhattan averaged $1,597 a month, while the costs in Upper Manhattan were $1,015. The average monthly operating costs for stabilized building owners in New York City, excluding Core Manhattan, reduces the City average to $800. The graph on the next page details average monthly expenses by cost category and building age for 2015. As the graph illustrates, taxes make up the largest share of expenses, averaging 28.6% of all costs.

Median Citywide expenses in 2015 were $834. By borough, Manhattan had the highest median costs, at $1,123; followed by Queens at $783; Brooklyn at $721; the Bronx at $712; and Staten Island at $666.

(Appendices C.1, C.2 and C.3 break down average costs by borough and building age; Appendix C.4 details median costs; and Appendix C.6 details distribution of costs.)

In 1992, the NYC Department of Finance and RGB staff tested RPIE expense data for accuracy. Initial examinations found that most "miscellaneous" costs were administrative or maintenance costs, while 15% were not valid business expenses. Further audits on the revenues and expenses of 46 rent stabilized properties discovered that O&M costs stated in RPIE filings were generally inflated by about 8%. Costs tended to be less accurate in small (11-19 units) properties and more precise for large (100+ units) buildings. However, these results are somewhat inconclusive since several owners of large stabilized properties refused to cooperate with the NYC Dept. of Finance's assessors.

Average Monthly Expense per Dwelling Unit per Month



Source: NYC Department of Finance, 2015 RPIE Data

Adjustment of the 2015 RPIE O&M cost ($960) by the results of the 1992 audit results in an average monthly O&M cost of $882 Citywide.

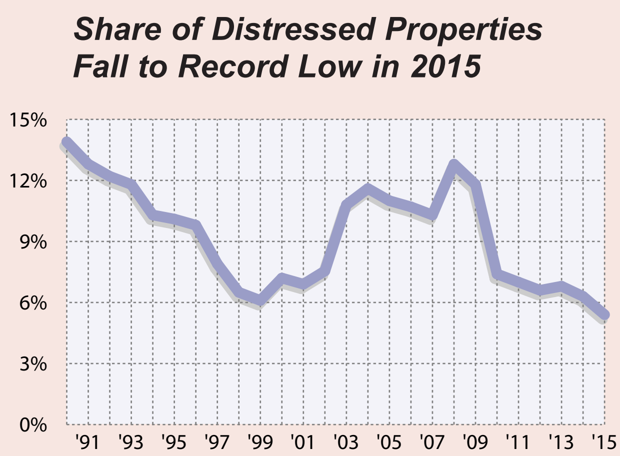
Just as buildings without commercial space typically generate less revenue than stabilized properties with commercial space, operating expenses in these buildings tend to be lower on average than in buildings with a mixture of uses. In 2015, unaudited average O&M costs for "residential-only" buildings were $880 per month and average audit-adjusted O&M costs for these buildings were $808 per month.

"Distressed" Buildings

For the purposes of this study, buildings that have operating and maintenance costs greater than gross income are considered distressed. Among the properties that filed RPIEs for 2015, 822 buildings (5.4%) had reported O&M costs that exceeded gross income, a 0.9 percentage point decline from the prior year's 6.3%, and the lowest ever recorded in this study. Since 1990, when 13.9% of stabilized properties were considered distressed, the proportion of distressed buildings declined each year until 1999, reaching a previous low of 6.1%. From 1999 until 2004, the proportion generally increased, but has declined for nine of the last eleven years, reaching in 2015 its lowest level in the 26-year history of this study (see graph on the next page).

Most distressed stabilized properties (58%) are mid-sized buildings, containing 20 to 99 units. In addition, the vast majority (93%) are pre-war buildings. By borough, half of the buildings are in Manhattan; while the remaining buildings are in the Bronx (22%); Brooklyn (17%); Queens (11%) and Staten Island (2 buildings). (See

Percent of Distressed Properties in Cross-Sectional Samples 1990-2015



Source: NYC Department of Finance, 1990-2015 RPIE Data

Appendix C.7 for a complete breakdown of distressed buildings by borough, building size and building age.)

Net Operating Income

Revenues exceed operating costs in most stabilized buildings, yielding funds that can be used for mortgage payments, improvements and/or pre-tax profit. The amount of income remaining after operating and maintenance (O&M) expenses are paid is typically referred to as Net Operating Income (NOI). While financing costs, income taxes and appreciation determine the ultimate value of a property, NOI is a good indicator of its basic financial condition. Moreover, changes in NOI are easier to track on an aggregated basis than changes in profitability, which require an individualized examination of return on capital placed at risk.

On average, apartments in rent stabilized buildings generated $540 of net income per month in 2015, with units in post-war buildings earning more ($650 per month) than those in pre-war buildings ($498 per month). Average monthly NOI tended to be greater for stabilized properties in Manhattan ($855) than for those in the other boroughs: $463 in Queens; $430 in Brooklyn; $397 in Staten Island; and $326 per unit per month in the Bronx. There was a notable difference when looking at NOI on a sub-borough level in Manhattan. Core Manhattan properties earned on average $1,095 per unit per month in NOI, while properties in Upper Manhattan yielded an NOI of $492. The monthly NOI average calculated Citywide, excluding Core Manhattan, was $426. Looking at the NOI using audit-adjusted expense figures, the Citywide NOI in 2015 was $618.

Average monthly unaudited NOI in "residential-only" properties Citywide was $494 per unit in 2015, 8.4% lower than the average for all stabilized buildings.

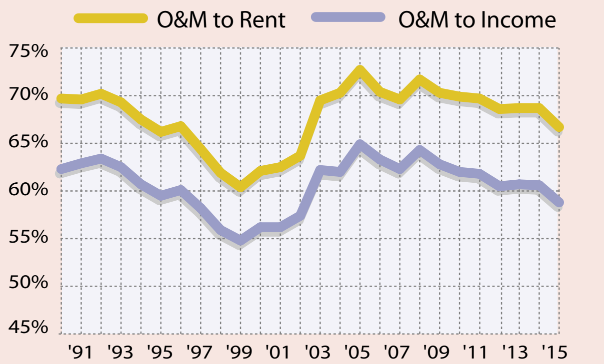
NOI reflects the revenue available after payment of operating costs; that is, the amount of money owners have for financing their buildings; making improvements; and for pre-income tax profits. While NOI should not be the only criteria to determine the ultimate profitability of a property, it is a useful exercise to calculate the annual NOI for a hypothetical "average stabilized building" with 11 or more units. Multiplying the average unaudited monthly NOI of $540 per unit by the typical size of buildings in this year's analysis (an average of 45.6 units) yields an estimated average annual NOI of roughly $296,000 in 2015. Excluding Core Manhattan, the monthly NOI of $426 per unit multiplied by the typical size of buildings in this year's analysis outside Core Manhattan (an average of 46.1 units) yields an estimated average annual Net Operating Income of about $236,000.

Operating Cost Ratios

Another way to evaluate the profitability of New York City's rent stabilized housing is by measuring the ratio of expenses to revenues. Traditionally, the RGB has used O&M Cost-to-Income and O&M Cost-to-Rent ratios to assess the overall health of the stabilized housing stock, presuming that buildings are better off by spending a lower percentage of revenue on expenses. The graph on the next page shows how over the period from 1990 to 2015, the proportion of total income and rent collections spent on audit-adjusted operating costs has fluctuated. The audit-adjusted Cost-to-Income ratio in 2015 was 58.8%, down 1.8 percentage points from the prior year's 60.6%. This means that on average, owners of rent stabilized properties spent roughly 58.8 cents out of every dollar of revenue on operating and maintenance costs in

Ratios of Citywide Average Monthly Audit-Adjusted O&M Costs to Average Monthly Gross Income and Rent 1990-2015

Cost-to-Income and Cost-to-Rent Ratios Decrease in 2015



Source: NYC Dept. of Finance, 1990-2015 RPIE Data

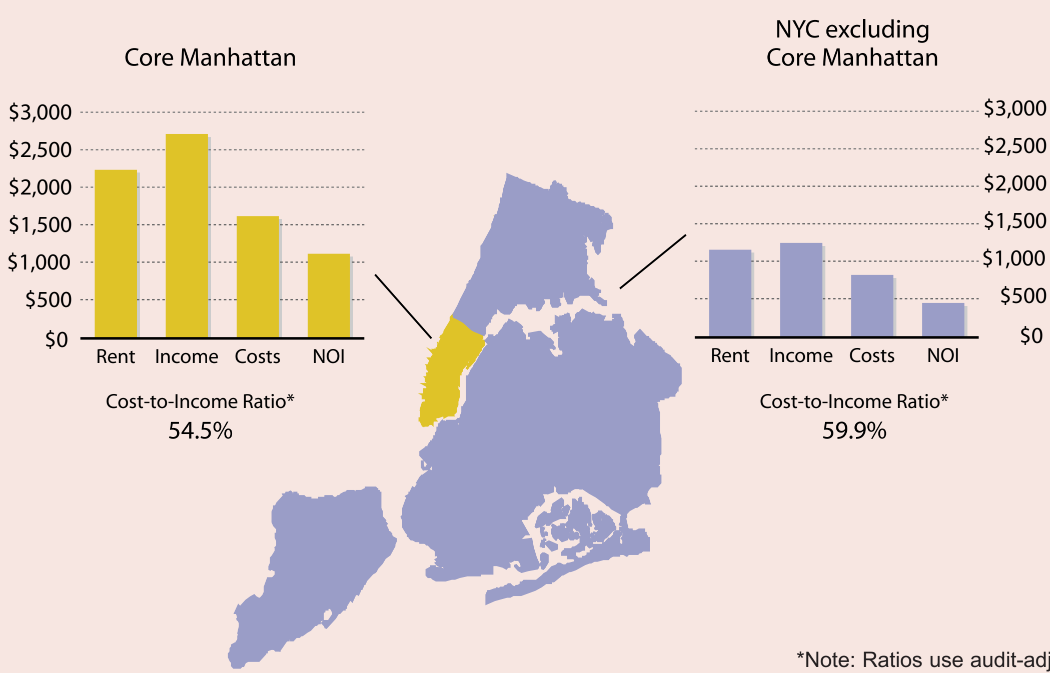
2015. Looking at unaudited expenses, the cost-to-income ratio in 2015 was 64.0%. Similarly, the unaudited median cost-to-income ratio was also 64% in 2015.

Examining the ratio of costs to rent collections, audit-adjusted operating costs in 2015 were 66.7% of revenues from rent, down 2.0 percentage points from the prior year. Using unaudited expenses, the cost-to-rent ratio in 2015 was 72.6%. Looking at the unaudited median cost-to-rent ratio, it was 71% in 2015.

Rents, income, and costs per unit were on average highest in Core Manhattan in 2015 (see map and graphs below). When looking at the City with Core Manhattan excluded, the average revenue and costs figures are lower, resulting in expense to revenue ratios that are different. The audit-adjusted Cost-to-Income Ratio for the rest of the City was 59.9%, higher than the Cost-to-Income Ratio for

Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit and Cost-to-Income Ratios, Core Manhattan and the Rest of the City, 2015

Cost-to-Income Ratio Remains Lower in Core Manhattan in 2015



*Note: Ratios use audit-adjusted costs.
Source: NYC Department of Finance, 2015 RPIE Data

stabilized buildings in Manhattan's Core (54.5%). These figures indicate that on average, owners of stabilized properties outside of Core Manhattan spend roughly 5½ cents more of every dollar of revenue on expenses, as compared to their counterparts in Core Manhattan.

In an analysis of the distribution of operating costs in relation to total income in buildings by decile, it may be useful to examine the percentage of buildings with cost-to-income ratios at or below certain levels. The Department of Finance calculated decile levels, revealing that half of all rent stabilized buildings Citywide have unaudited cost-to-income ratios of 0.64 or less. This means that half the building owners spent no more than 64 cents out of every dollar of revenue on operating and maintenance costs in 2015. Looking at the 80% decile level Citywide, 80% of buildings pay no more than 79 cents of every dollar of revenue on operating and maintenance costs, and 20% pay more. The complete table of all ten decile levels Citywide and by borough can be found in Appendix C.8.

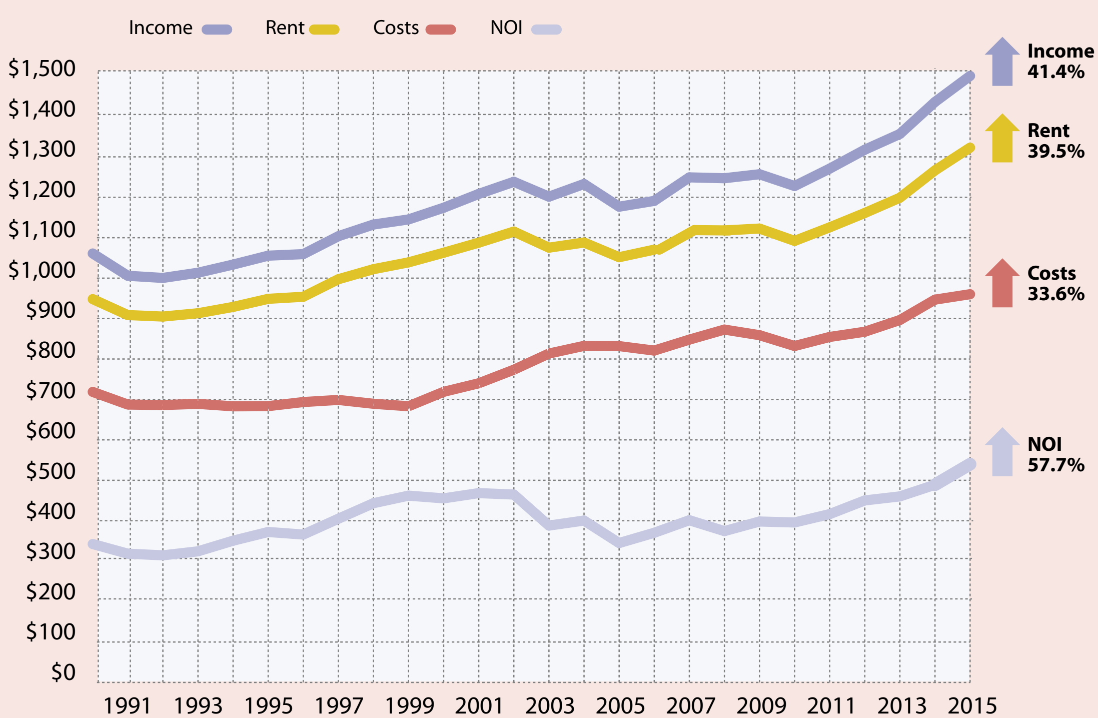
Net Operating Income After Inflation

The amount of net operating income is a function of the level of expense and the level of revenue in each year (revenues minus operating expenses equals net operating income). Adjusting NOI as well as rent, income and costs figures for inflation (in constant 2015 dollars) and comparing different base years to the latest

Citywide Income, Rent, Costs and NOI After Inflation, 1990-2015

Inflation-Adjusted Net Operating Income Up 57.7% Since 1990

(Average Monthly Income, Rent, Operating Costs and NOI per Dwelling Unit in Constant 2015 Dollars)

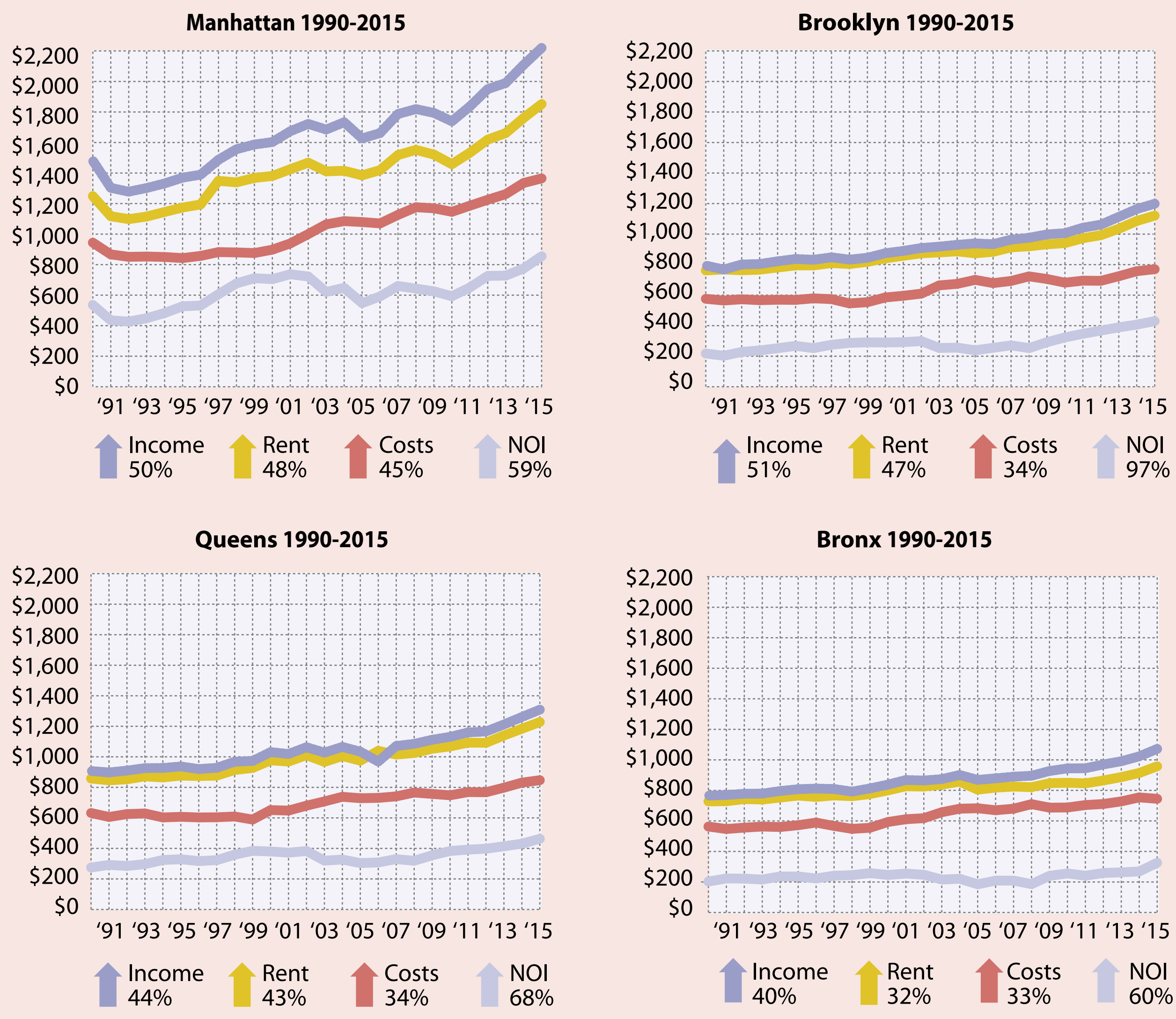


Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2017.
NYC Department of Finance, 1990-2015 RPIE Data.

Income, Rent, Costs and NOI After Inflation per Borough, 1990-2015

Since 1990, Inflation-Adjusted NOI Rises Citywide and in Each Borough

(Average Monthly Income, Rent, Operating Costs and Net Operating Income per Dwelling Unit in Constant 2015 Dollars)



Note: Percent changes are point-to-point measurements and should not be considered cumulatively.
Staten Island is excluded due to insufficient data from prior years.
Sources: NYC Rent Guidelines Board *Income and Expense Studies*, 1992-2017.
NYC Department of Finance, 1990-2015 RPIE Data.

data available is a useful way to assess the health of the stabilized housing stock and how well revenues have been meeting or exceeding expenses without erosion by inflation.

Point-to-point comparisons of average figures show that, from 1990 to 2015, after adjusting for inflation, NOI has increased 57.7% (see graph on page 32). This indicates that revenues have outpaced expenses to the extent that average monthly NOI was worth 57.7% more in 2015 than it was in 1990, after adjusting for inflation. A different point-to-point comparison shows that between 2014 (NOI's second highest year since 1990) and 2015, NOI rose 10.4%, after adjusting for inflation.

Another way to look at how rent, income and costs, as well as NOI, have changed absent the effect of inflation is to graph inflation-adjusted monthly figures for each of the four components measured in the I&E studies. During the 1990 to 2015 period, inflation-adjusted rent increased a cumulative 39.5%, income by 41.4%, and costs by 33.6%, resulting in the increase in NOI of 57.7%.

Examining the ratio of NOI to income, since 1990, the ratio has varied. From 1990-96, the ratio of NOI/income averaged 33%; from 1997-2002, 39%; from 2003-2009, 31%; and since 2010, the average ratio of NOI/income has been about 34%. This means that on average, over the past six years, 34 cents of every dollar earned is net operating income for the owner.

While the Citywide graph of inflation-adjusted revenue, expense and NOI figures is useful for demonstrating the overall stabilized rental housing market, disaggregating the same figures by borough shows how the market can differ from area to area (see graphs on previous page). Looking at each of the boroughs individually, from 1990 to 2015, all boroughs saw sizable increases in their net income, with Brooklyn seeing the most significant increase, up 97%; followed by Queens, up 68%; the Bronx, up 60%; and Manhattan, up 59%.

Longitudinal Study

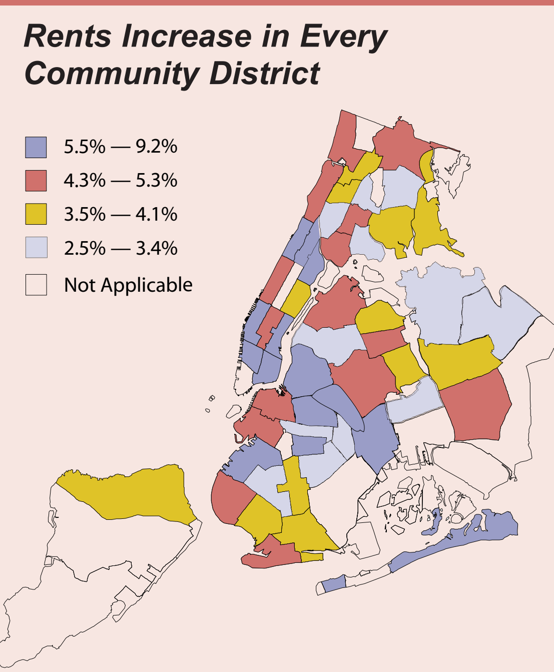
The longitudinal section of this study measures changes in rent, income, costs, operating cost ratios, and net operating income that occurred in the same set of 14,043 buildings from 2014 to 2015.

Rents and Income

Rent collections increase for a number of reasons, including increases allowed under RGB renewal guidelines; vacancy allowances of at least 18-20% allowed under the Rent Regulation Reform Act of 1997; termination of preferential rents; individual apartments improvements; and building-wide improvements (MCIs).

Average rent collections in stabilized buildings rose by 4.4% in 2015. Rent collections in pre-war buildings grew at a higher rate, up 4.7%, than in post-war buildings, which increased by 3.8%. Rent collections increased the greatest among smaller, 11-19 unit buildings, up 5.3%; while rents rose 4.6% among mid-sized, 20-99 unit buildings; and the least among large, 100+ unit buildings, up 3.8%. Examining rent collections by borough, Manhattan saw the largest increase, up 5.1%; followed by Brooklyn, up 4.1%; Queens, up 4.0%; the Bronx, up 3.7%; and Staten Island, up 3.5%. Within Manhattan, Upper Manhattan

Change in Rent by Community District, 2014-15



Source: NYC Department of Finance, 2014-15 RPIE Data rents grew more, up 5.6%, than the 5.0% increase in rents in Core Manhattan. Rent collections in the City, excluding Core Manhattan, rose 4.2%. The growth in median rent Citywide was 4.5%.

Looking at rent collections throughout New York City, every Community District saw increases in average rent from 2014 to 2015.[9]

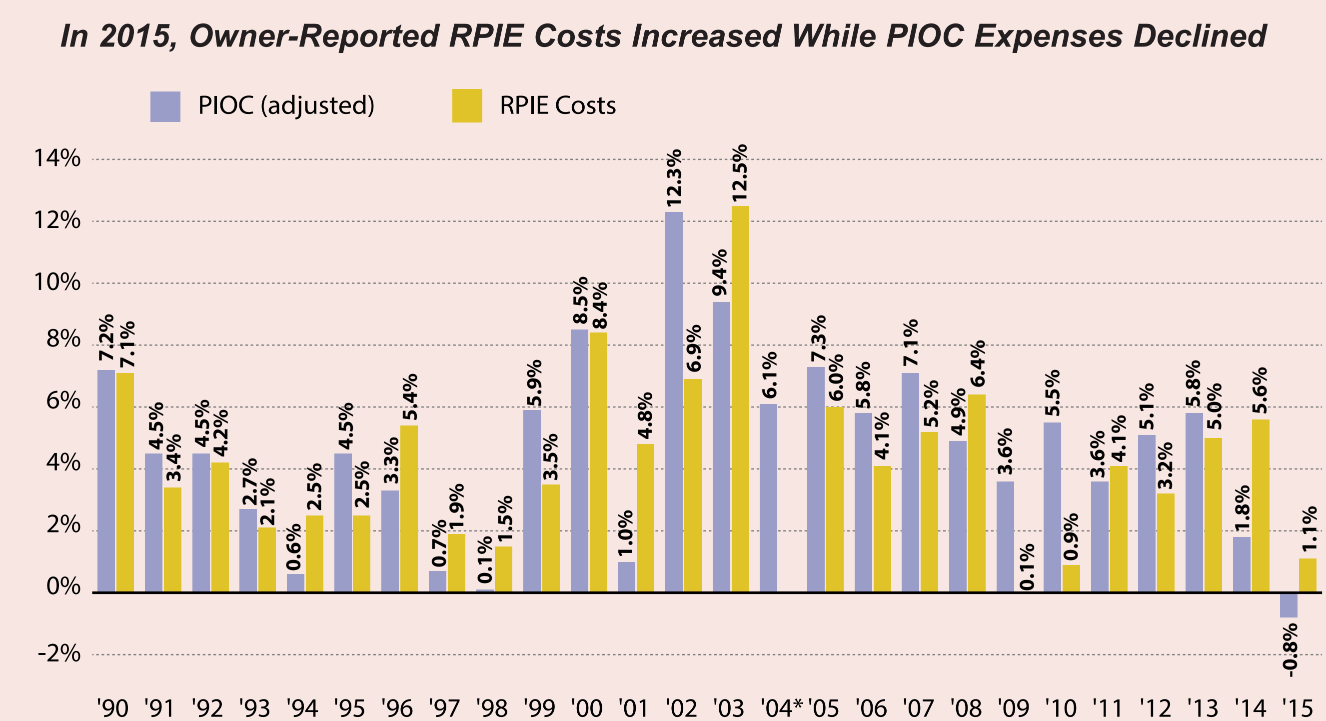
At the neighborhood level, the greatest rent growth was found in three Brooklyn neighborhoods: Bushwick, up 9.2%; East New York/Starett City, up 8.6%; and Williamsburg/Greenpoint, up 7.7%. Seven Manhattan neighborhoods saw the next highest increases in rent, including Stuyvesant Town/Turtle Bay, up 7.6%. The neighborhood with the greatest increase in Queens was the Rockaways, up 5.7%; and Mott Haven/Port Morris topped the Bronx, up 4.9%. See map on the previous page and Appendix C.13 for a breakdown of rent increases by Community District throughout NYC.

The average total income collected in rent stabilized buildings, comprising apartment rents, commercial rents and sales of services, increased by the same percentage as rent, up 4.4% from 2014 to 2015. Revenues rose faster in pre-war buildings, up 4.6%, than in post-war buildings, up 3.9%. Manhattan saw the highest growth in income, rising 4.9%; followed by Brooklyn, up 4.2%; Queens, up 4.1%; the Bronx, up 3.6%; and Staten Island, up 3.5%. Within Manhattan, Upper Manhattan income rose 5.0%; while Core Manhattan income rose 4.9%. Total income in the City, excluding Core Manhattan, rose 4.2%. The median growth in income Citywide was 4.4%.

Operating Costs

Average expenses in stabilized buildings Citywide increased 1.1% from 2014 to 2015. However, the change in operating costs varied by building age and by borough. Pre-war buildings saw expenses increase 0.8%, while newer, post-war buildings saw expenses

Change in Operating & Maintenance Costs, RPIE and the PIOC, 1990 to 2015



Notes: *Longitudinal RPIE data for 2004 is unavailable (see endnote 10). PIOC data for 2013 and 2014 was adjusted from prior reports.
Sources: NYC Department of Finance, 1990-2015 RPIE Data; RGB Price Index of Costs (PIOC) 1990-2015

increase 1.5%. Breaking down the change in costs by borough, costs rose the most in Manhattan, up 2.1%; while costs rose 1.5% in Brooklyn; 1.4% in Queens; and 0.6% on Staten Island. Conversely, costs fell 2.0% in the Bronx. Within Manhattan, Upper Manhattan costs rose 0.3%; while Core Manhattan costs rose 2.9%. Operating costs in the City, excluding Core Manhattan, rose 0.2%. Citywide, median expenses rose 1.1%. For a detailed breakdown of the changes in rent, income and costs by building size, age and location, see Appendices C.10 and C.11.

RPIE Expenses and the PIOC

Data sets from the RPIE and the RGB's long-running survey, the Price Index of Operating Costs (PIOC), each provide a form of independent verification for the expense findings in the other. However, comparison of I&E and PIOC data is somewhat distorted due to differences in the way each instrument defines costs and time periods. For example, there is a difference between when expenses are incurred and paid by owners as reported in the RPIE, versus the price quotes obtained from vendors for specific periods as surveyed in the PIOC. In addition, the PIOC primarily measures prices on a March to March basis, while most RPIE statements filed by landlords are based on the calendar year. (See endnote 6.) To compare the two, weighted averages of each must be calculated, which may cause a loss in accuracy. Finally, the PIOC measures a hybrid of costs, cost-weighted prices and pure prices, whereas the RPIE provides unaudited owner-reported costs. The PIOC fell 0.8% from 2014 to 2015, the same period as the 1.1% increase in I&E costs, a 1.9 percentage point difference. (See graph on the previous page.)

From 1990-91 to 2014-15, cumulative growth in owners' costs as measured by the two indices varied. Overall nominal costs measured in the PIOC increased at a greater rate, 178.7%, compared to RPIE data, which grew 153.2% over this period.[10]

Operating Cost Ratios

Between 2014 and 2015, the proportion of gross income spent on audit-adjusted expenses (the O&M Cost-to-Income ratio) declined, falling by 1.9 percentage points. The proportion of rental income used for audit-adjusted expenses (the O&M Cost-to-Rent ratio) similarly fell, declining by 2.2 percentage points.

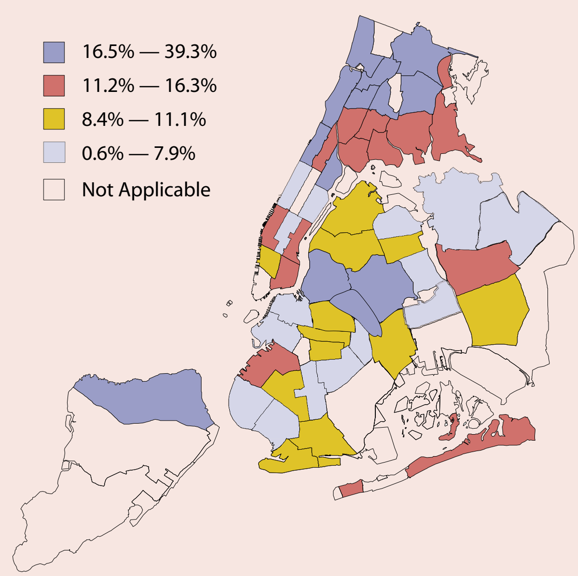
Net Operating Income

Net Operating Income (NOI) refers to the earnings that remain after operating and maintenance (O&M) expenses are paid, but before payments of income tax and debt service. Since average actual collected income grew more than operating costs, Citywide net operating income in rent stabilized buildings increased by 10.8% in 2015, the 11th consecutive year that NOI has increased.

The average change in NOI from 2014 to 2015 differed throughout the City. Every borough saw NOI increase, with the Bronx seeing the largest increase, up 19.2%; while NOI rose 9.7% in Staten Island; 9.6% in Manhattan; 9.4% in Queens; and 9.2% in Brooklyn.

Change in NOI by Community District, 2014-15

Wide Range of Increases in Net Operating Income



Source: NYC Department of Finance, 2014-15 RPIE Data

Within Manhattan, Upper Manhattan NOI increased 16.1%, while it rose 7.8% in Core Manhattan. Monthly NOI in the City, excluding Core Manhattan, rose 12.7%. See Appendix C.12 for a breakdown of NOI by borough, building age and building size.

At the Community District level, NOI rose in every neighborhood, though the level of increase varied widely. The neighborhood seeing the highest increase in NOI was Bushwick, Brooklyn, up 39.3%. The next five neighborhoods seeing the greatest increases were all in the Bronx, including Williamsbridge/Baychester, up 29.0%; University Heights/Fordham, up 26.0%; and Kingsbridge Heights/Mosholu/Norwood, up 23.3%. The Manhattan neighborhood seeing the largest increase was Washington Heights/Inwood, up 18.2%, Staten Island's North Shore saw NOI increase 17.8%; and the largest increase in Queens occurred in Middle Village/Ridgewood, up 16.5%. The map on the previous page and Appendix C.13 shows how increases in NOI varied in each neighborhood throughout NYC (See endnote 9.)

Summary

RPIE filings, from over 15,300 rent stabilized buildings containing about 698,500 units in the main RPIE study and from over 14,000 buildings containing about 641,000 units in the longitudinal study, were analyzed in this year's *Income and Expense Study*. Citywide, average rent and revenue collections each rose 4.4%; and expenses rose by 1.1%. Since revenue grew at a rate greater than expenses, Net Operating Income (NOI) Citywide increased by 10.8%, the 11th consecutive year that NOI has increased. (See table on the next page for historical data.) In addition, the proportion of distressed properties Citywide declined to their lowest level in the history of this survey, falling 0.9 percentage points from the prior year. In addition, the audit-adjusted cost-to-income ratio was 58.8%, down 1.8 percentage points from the prior year.

Methodology

The information in this report was generated by analyzing data sets derived from RPIE forms filed with the NYC Department of Finance in 2016 by owners of apartment buildings with primarily eleven or more dwelling units. The data in these forms, which reflects financial conditions in stabilized buildings for the year 2015, was made available to NYC Rent Guidelines Board research staff in November, 2016 for analysis. Unit averages contained in this analysis were computed by the NYC Department of Finance. The averages were then weighted by the RGB using data from the 2014 *NYC Housing and Vacancy Survey*, the most recent comprehensive data available, to calculate averages that are representative of the population of residential buildings in New York City. In addition, medians were calculated and included in this report. The medians derived from the data were also produced by the NYC Department of Finance and are unweighted.

Two types of summarized data, the primary RPIE data and longitudinal, were obtained for stabilized buildings. The primary RPIE data, which in prior reports was referred to as cross-sectional data, provides a "snapshot" or "moment-in-time" view, comes from properties that filed RPIE forms in 2016, or alternatively, TCIE (Tax Commission Income & Expense) forms.[11] Data from the forms was used to compute average and median rents, operating costs, etc., that were typical of the year 2015. Longitudinal data, which provides a direct comparison of identical elements over time, encompasses properties that filed RPIE/TCIE forms for the years 2014 and 2015. The longitudinal data describes changing conditions in average rents, operating costs, etc., by comparing forms from the same buildings over two years. Thus, the main part this report measures conditions in effect throughout 2015, while longitudinal data section measures changes in conditions that occurred from 2014 to 2015.

This year, 15,315 buildings containing rent stabilized units were analyzed in the main RPIE study and 14,043 buildings were examined in the longitudinal study. The collection of buildings was created by matching a list of properties registered with DHCR against building data found in 2016 RPIE or TCIE statements (or 2015 and 2016 statements for the longitudinal study). A building is considered rent stabilized if it contains at least one rent stabilized unit.

Once the two data sets were drawn, properties that met the following criteria were not included:

- Buildings containing fewer than 11 units. Owners of buildings with fewer than 11 apartments (without commercial units) are not required to file RPIE forms;
- Owners who did not file an RPIE or TCIE form in 2015 for the main part of this study, or an RPIE or TCIE form in both 2015 and 2016 for the longitudinal study;
- No unit count could be found in RPIE/TCIE records; and
- No apartment rent or income figures were recorded on the RPIE or TCIE forms. In these cases, forms were improperly completed or the building was vacant.

Three additional methods were used to screen the data so properties with inaccurate building information could be removed to protect the integrity of the data:

Changes in Average Monthly Rent, Income, Operating Costs and Net Operating Income per Dwelling Unit, 1990-2015

Net Operating Income (NOI) Increased from 2014 to 2015, 11th Consecutive Yearly Increase in NOI

	Avg. Rent Growth	Avg. Income Growth	Avg. Cost Growth	Avg. NOI Growth
1990-91	3.4%	3.2%	3.4%	2.8%
1991-92	3.5%	3.1%	4.2%	1.2%
1992-93	3.8%	3.4%	2.1%	6.3%
1993-94	4.5%	4.7%	2.5%	9.3%
1994-95	4.3%	4.4%	2.5%	8.0%
1995-96	4.1%	4.3%	5.4%	2.3%
1996-97	5.4%	5.2%	1.9%	11.4%
1997-98	5.5%	5.3%	1.5%	11.8%
1998-99	5.5%	5.5%	3.5%	8.7%
1999-00	6.2%	6.5%	8.4%	3.5%
2000-01	4.9%	5.2%	4.8%	5.9%
2001-02	4.0%	4.1%	6.9%	-0.1%
2002-03	3.6%	4.5%	12.5%	-8.7%
2003-04	-	-	-	-
2004-05	4.6%	4.7%	6.0%	1.6%
2005-06	5.6%	5.5%	4.1%	8.8%
2006-07	6.5%	6.5%	5.2%	9.3%
2007-08	5.8%	6.2%	6.4%	5.8%
2008-09	1.4%	1.8%	0.1%	5.8%
2009-10	0.7%	1.2%	0.9%	1.8%
2010-11	4.4%	4.5%	4.1%	5.6%
2011-12	5.0%	5.3%	3.2%	9.6%
2012-13	4.5%	4.5%	5.0%	3.4%
2013-14	4.8%	4.9%	5.6%	3.5%
2014-15	**4.4%**	**4.4%**	**1.1%**	**10.8%**

Source: NYC Department of Finance, 1990-2015 RPIE Data
Note: Longitudinal data from 2003-04 is unavailable.

- In early I&E studies, the NYC Department of Finance used the total number of units from their Real Property Assessment Data (RPAD) files to classify buildings by size and location. RGB researchers found that sometimes the unit counts on RPIE forms were different than those on the RPAD file, and consequently deemed the residential counts from the RPIE form more reliable;
- Average monthly rents for each building were compared to rent intervals for each borough to improve data quality. Properties with average rents outside of the borough rent ranges were removed from all data. Such screening for outliers is critical since such deviations may reflect data entry errors and thus could skew the analysis; and
- Buildings in which operating costs exceeded income by more than 300% as well as buildings above the 99th percentile or below the 1st percentile were excluded.

As in prior studies, after compiling both data sets, the NYC Department of Finance categorized data reflecting particular types of buildings throughout the five boroughs (e.g., structures with 20-99 units). ❐

Endnotes

1. RPIE Analysis section previously called the Cross-Sectional Study.
2. RPIE rent figures include money collected for apartments, owner-occupied or related space and government subsidies. Income encompasses all revenue from rents, sales of services, such as laundry, parking, and vending, and all other operating income.
3. Pre-war buildings refer to those built before 1947; post-war buildings refer to those built after 1946.
4. Core Manhattan represents the area south of W 110th and E 96th Streets. Upper Manhattan is the remainder of the borough.
5. Preferential rents refer to actual rent paid, which is lower than the “legal rent,” or the maximum amount the owner is entitled to charge. Owners can offer preferential rents when the current market cannot bear the legal rent. According to DHCR, 29.7% of all 2015 apartment registrations filed indicate a preferential rent.
6. According to the NYC Department of Finance, over 90% of owners filing RPIEs report income and expense data by calendar year. In earlier reports, adjusted DHCR data was calculated on a July-to-June fiscal year. Beginning with the 2008 *Income and Expense Study*, adjustment of DHCR Citywide data was calculated on the January-to-December calendar year, so figures may differ from data reported in prior years.
7. Since the 2008 *Income and Expense Study*, adjustment of the RGB Rent Index has been calculated on a January-to-December calendar year. Also see Endnote 6.
8. RPIE longitudinal data from 2003-04 is excluded from this study because no longitudinal data was available for 2003-04. Therefore, the growth in RPIE collected rents, 182.5%, is understated. To make a more valid comparison between the three indices, cumulative increases in both the RGB Rent Index and DHCR contract rent calculations exclude 2003-04 data as well.
9. Six Community Districts were excluded from this analysis because they contained too few buildings for the data to be reliable. Unlike Citywide and borough level rent and expense data, average CD rents and expenses are unweighted and do not necessarily represent the population of buildings in these Community Districts. All averages were computed by the NYC Department of Finance.
10. Due to the unavailability of RPIE longitudinal data for 2003-04, PIOC data from 2003-04 is also excluded from this comparison.
11. TCIE (Tax Commission Income & Expense) forms are used by the NYC Department of Finance when RPIE forms are not filed by owners.

2017 Mortgage Survey Report

What's New

- ◆ Average interest rates for new multifamily mortgages rose 29 basis points, to 4.26%.
- ◆ Vacancy and collection losses declined 0.22 percentage points, to 2.92% this year, the lowest level recorded by this survey.
- ◆ Average service fees for new loans rose 0.02 percentage points, to 0.44 points.
- ◆ Average maximum loan-to-value ratios declined 0.35 percentage points, to 73.7%.
- ◆ In 2016, 1,167 buildings containing rent stabilized units were sold Citywide, a decline of 14.3% from the prior year.

Introduction

Section 26-510 (b)(iii) of the Rent Stabilization Law requires the NYC Rent Guidelines Board (RGB) to consider the "costs and availability of financing (including effective rates of interest)" in its deliberations. To assist the Board in meeting this obligation, each winter the RGB research staff surveys lending institutions that underwrite mortgages for multifamily rent stabilized properties in New York City. (See Appendix E.6 for a reproduction of the survey.) The survey provides details about New York City's multifamily lending market during the 2016 calendar year as well as the first few months of 2017.

The survey is organized into three sections: financing availability and terms for rent stabilized buildings; underwriting criteria; and additional mortgage questions, including vacancy and collection losses, operating and maintenance expenses, and portfolio performance information. In addition to the survey analysis, rent stabilized building sales data, obtained from the NYC Department of Finance, is also examined.

Overview

This year's Mortgage Survey found that both interest rates and service fees rose, though they remained near the record lows recorded in last year's survey. However, collection losses continued to decline, falling to a record low; maximum loan-to-value ratios declined slightly; and underwriting criteria remained similar. Furthermore, our analysis of rent stabilized building sales data found that sales volume declined Citywide between 2015 and 2016.

This report will more fully detail these issues by beginning with a discussion of the characteristics of all of this year's survey respondents, followed by a longitudinal analysis of those responding both last and this year. Further, it will examine rent stabilized building sales data by volume and price.

Survey Respondents

Thirteen financial institutions responded to this year's survey, one more than last year. The survey is regularly updated to include only those institutions offering loans to multiple dwelling, rent stabilized properties in New York City. This year's respondents include a variety of traditional lending institutions, such as savings and commercial banks, as well as non-traditional lenders.

Institutions holding deposits insured by the Federal Deposit Insurance Corporation (FDIC) supply details about their holdings on a quarterly basis, including their multifamily real estate holdings, and they vary considerably among the respondents. Ten surveyed lenders report their multifamily real estate holdings to the FDIC, with values ranging between $19 million and $25 billion.[1] Six of this year's institutions reported multifamily holdings of over one billion dollars, while another two institutions held less than $25 million. The average multifamily real estate portfolio of our survey respondents was unchanged from last year's survey, remaining at an average of $5 billion.

Mortgage Survey Analysis[2]

Financing Availability and Terms

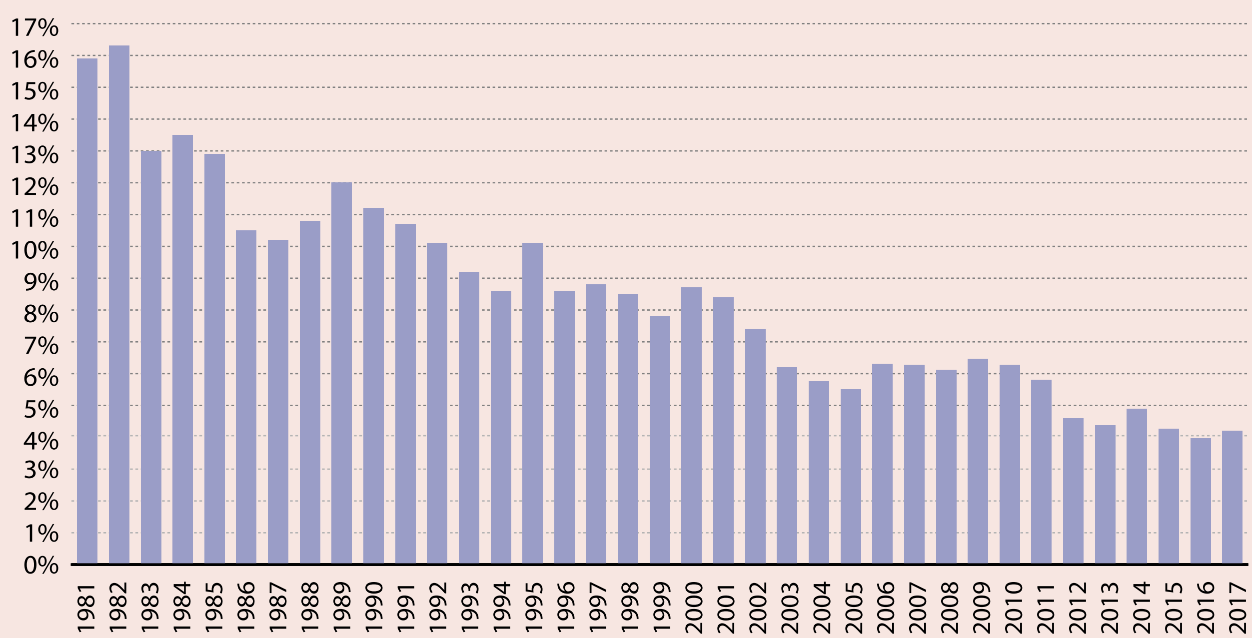
As of February 2017, the average interest rate for new multifamily mortgages was 4.26%, a 29 basis points (or 7%) increase from the previous February, when a record low in this survey was reached (see graph on this page and Appendix E.1). Likewise, the average interest rate reported by lenders for the 2016 calendar year was 4.35%, an eight basis points (or 2%) increase from 2015.

Average interest rates increased during the year among the institutions surveyed, mirroring interest rate increases by the Fed. The Discount Rate — the interest rate at which depository institutions borrow from the Federal Reserve Bank of New York — rose 25 basis points in both December 2016 and March 2017, and the Federal Funds Rate — the interest rate at which depository institutions lend balances at the Federal Reserve to other depository institutions — similarly rose 25 basis points in both December 2016 and March 2017.[3] The Fed is expected to continue to increase interest rates in the coming year, as most Fed officials expect the continuation of a moderately growing U.S. economy.[4]

Points charged for new loans remained near a record low this year. Among survey respondents, they ranged between zero and 1.25, with six surveyed lenders charging no points on new loans. The average service fee charged on new loans by lenders was 0.44 points, virtually unchanged from last year's record low average of 0.42. Average fees reported in the survey

Average Interest Rates for New Loans to Rent Stabilized Buildings, 1981-2017

Multifamily Mortgage Interest Rates Increase After Last Year's Record Low



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

have remained around or below one point for close to two decades (see graph on the next page).

Surveyed lenders, for the most part, remained flexible in the loan maturity terms they offered their borrowers. Since survey respondents typically offer a wide range of terms rather than a single number, it is difficult to provide a precise average for the range of terms offered by institutions, but they remained like those offered in recent years. Mortgage terms reported by respondents fell within a wide 5- to 35-year range. This continued mortgage term flexibility over recent years is in great contrast to terms reported in the surveys of the early- to mid-1990s, when close to half of respondents offered maximum loan maturities of just five years.

The average volume of new mortgage originations remained similar to last year: an average of 105 new loans per institution were financed, compared to 104 the previous year. However, the average number of refinanced loans fell by more than half, declining 55%, to 43 this year. Overall loan volume remains below the peak year of 2004, when our survey reported an average of 160 new loans per institution. This year, most lenders reported no change in new loan volume. Among surveyed institutions, 62% said they saw no change in loan volume; another 31% reported an increase; and 8% reported a decrease from the prior year.

Underwriting Criteria

The survey asked lenders for their typical underwriting standards when approving new and refinanced mortgages to rent stabilized building owners. Lenders this year, on average, reported lending standards similar to last year. For all institutions, the typical maximum LTV ratio — the maximum dollar amount respondents were willing to lend based on a building's value — ranged from 65% to 82.5%. This year's average, 73.7%, remained virtually unchanged from last year's 74.0% (see graph on page 45).

Another important lending criterion is the debt service ratio — an investment's ability to cover mortgage payments using its net operating income (NOI). The higher the debt service coverage requirements, the less money a lender is willing to loan given constant net income. The debt service ratio (or NOI divided by the debt service) remained virtually unchanged, with an average debt service requirement of 1.22, versus 1.21 last year. Because the average debt service ratio remained about the same, lenders have maintained the amount of money they are willing to lend in relation to the net operating income of buildings (see Appendix E.2). Overall, debt service coverage at all institutions ranged between 1.15 and 1.30, and all but two surveyed lenders reported making no changes in their underwriting standards over the past year.

Lenders also noted additional standards they use when evaluating loan applications. The two most commonly cited standards are good

Terms and Definitions

Actual LTV - the typical loan-to-value ratio of buildings in lenders' portfolios

Basis Points - a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01 percentage point

Debt Service - the repayment of loan principal and interest

Debt Service Ratio - net operating income divided by the debt service; measures the risk associated with a loan; the higher the ratio, the less money an institution is willing to lend

Loan-to-Value Ratio (LTV) - the dollar amount institutions are willing to lend based on a building's value; the lower the LTV, the lower the risk to the lender

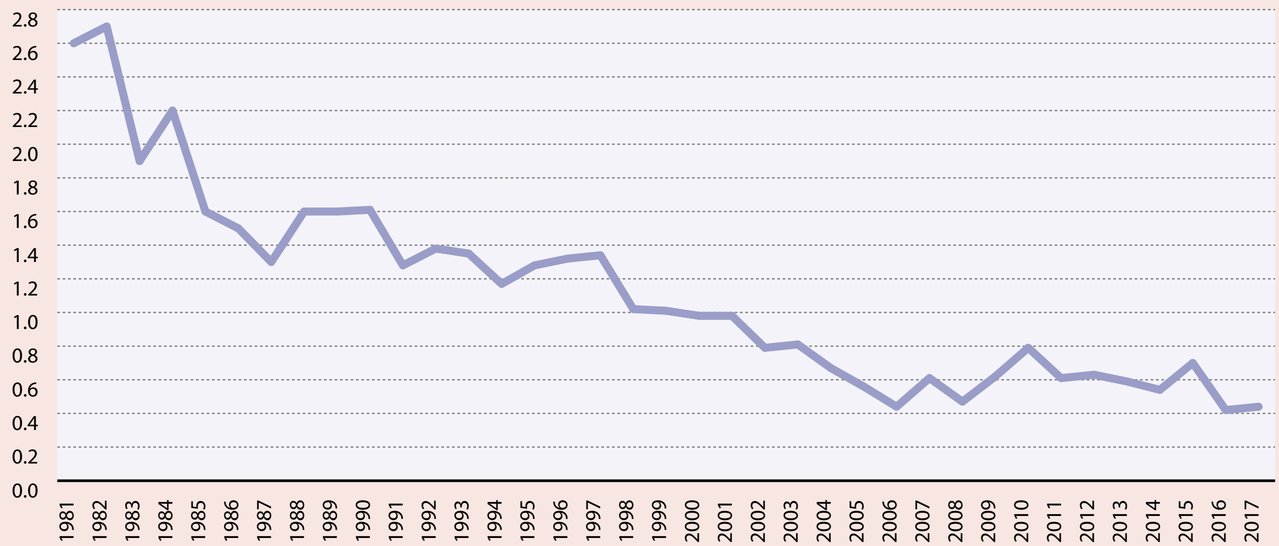
Maximum LTV - the loan-to-value ratio set by the lenders as part of their underwriting criteria

Points - up-front service fees charged by lenders as a direct cost to the borrowers

Terms - the amount of time the borrower has to repay the loan; generally, the term should not exceed the remaining economic life of the building

Service Fees for New Loans to Rent Stabilized Buildings, 1981-2017

Service Fees Increase After Last Year's Record Low



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

building maintenance and building size, with almost a third of lenders indicating that either (or both) are important components when considering a loan application.

The survey asked lenders whether their lending standards differ for rent stabilized buildings versus non-stabilized multifamily properties. Respondents were asked whether their new financing rates; refinancing rates; loan-to-value ratios; and debt service coverage requirements for rent stabilized properties were higher, lower, or the same as for other properties. No lenders reported that any of these standards were more stringent for rent stabilized buildings than for non-stabilized properties.

Non-Performing Loans & Foreclosures

The proportion of lenders reporting that they had non-performing loans this year rose, up from 25% last year to 31% this year, which represents one more lender than the prior year. These loans made up 0.3% of their portfolios this year, compared to 0.2% in the prior year. In addition, two lenders reported foreclosures this year, while none did last year. Foreclosures represented an estimated 0.1% of these two lenders' portfolios.

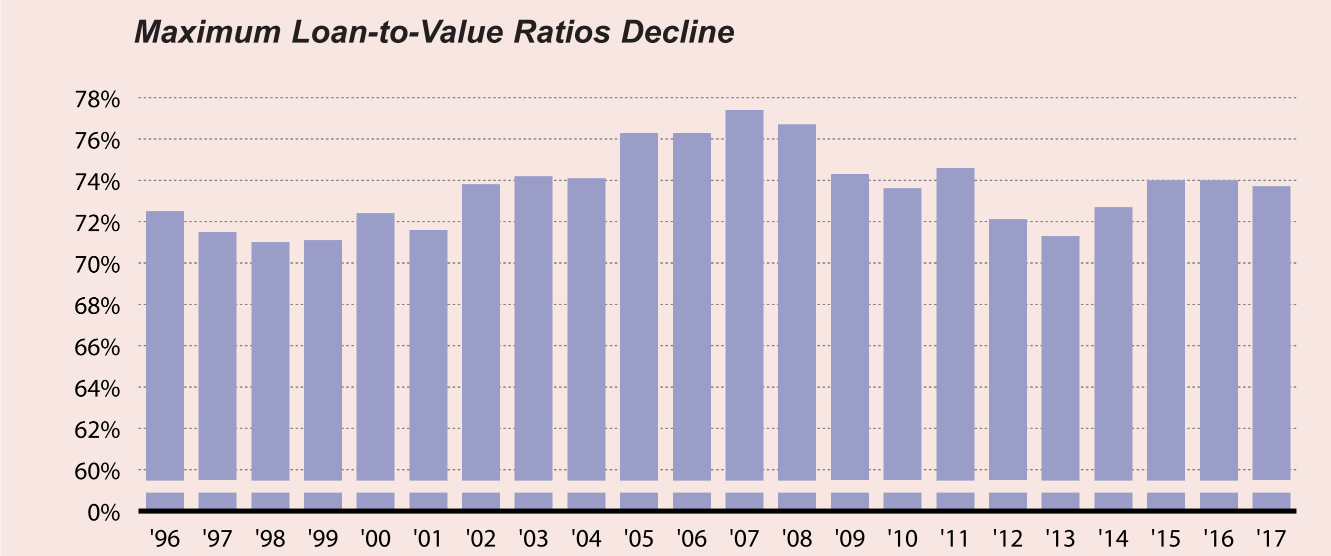
Characteristics of Rent Stabilized Buildings

The typical size of buildings in surveyed lenders' portfolios varies widely. The most commonly reported building size is 20-49 units (38% of lenders). Remaining lenders reported an average of either 50-99 units (23%); 1-10 units or 100+ units (15% each); or 11-19 units (8%).

Average vacancy and collection (V&C) losses decreased for the sixth time in the last seven years, down from 3.14% last year to 2.92% this year, the lowest level in the history of the *Mortgage Survey Report* (see graph on page 46). Similarly, a lower proportion of lenders reported average losses of 5% or more this year, down from 18% last year to 8% this year.

Average operating and maintenance (O&M) expenses and average rents among buildings in lenders' portfolios remained about the same as the prior year. Expenses rose 0.5%, to $653 per unit, while average rents likewise rose 0.5%, to an average of

1996-2017 Average Loan-to-Value Standards



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

$1,196 per unit per month (see Appendix E.2). Because both average costs and rents remained similar, the average O&M cost-to-rent ratio minimally changed, rising from 54.5% last year to 54.6% this year.

The NYC Rent Guidelines Board, in our annual *Income and Expense (I&E) Study*, examines the average O&M cost-to-rent ratio as well.[5] However, its findings should not be compared to the cost-to-rent ratio reported in the Mortgage Survey Report because both the sources are very different and the data studied in each report are from different time periods. In the *2017 I&E Study*, which reported on data from calendar year 2015, the average O&M cost-to-rent ratio was 72.6%.[6]

The survey asks lenders whether they retain their mortgages or sell them to secondary markets. Among the lenders, all but three lenders reported retaining all their mortgages, about the same proportion as last year.

Lenders are asked whether the rent stabilized buildings that are offered mortgage financing contain commercial space. This information is useful to help understand the extent to which owners earn income from sources other than residential tenants. All but two surveyed lenders this year reported that buildings in their portfolio contain commercial space, though the average number varies depending on the lender. On average, lenders report that 36% of their portfolios contain commercial space, up from 28% reported last year.

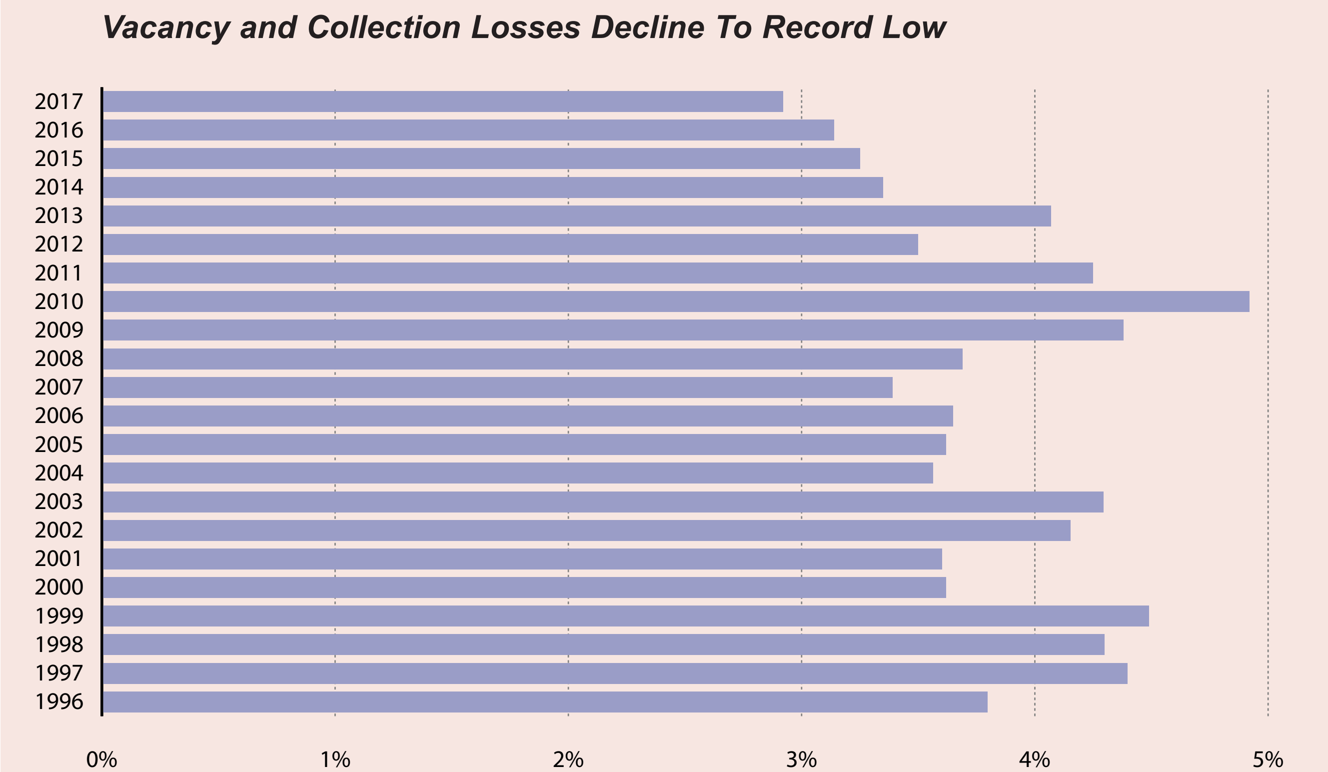
Loan Expectations

The survey asks lenders about the performance of their portfolios , compared with expectations at the time of initial loan origination, regarding net operating income (NOI); debt service coverage; and O&M expenses. Most lenders reported that their expectations had been met or exceeded in all three areas among their rent stabilized portfolio. Specifically, at least two-thirds said this year that their expectations were equaled or exceeded among all three categories, which was a decline from the prior year, when at least 82% said the same thing.

Longitudinal Analysis

Information regarding rent stabilized buildings can also be examined longitudinally to more accurately assess changes in the lending market, since many respondents reply to the Mortgage Survey in at least two successive years. This longitudinal comparison

Average Vacancy and Collection Losses, 1996-2017



Source: NYC Rent Guidelines Board, annual Mortgage Surveys.

helps to clarify whether changes highlighted in the primary mortgage survey analysis reflect actual variations in the lending market or simply the presence of a different group of lenders from year to year. Among the 13 respondents that completed the survey this year, all but one also responded last year. The 12 lenders that make up the longitudinal group, and their responses from both this year and last year, are compared in this section to illustrate changes between the two years.

Financing Availability and Terms

Because all but one lender responded in both years, this year's longitudinal analysis reveals findings that in many cases are similar to this year's main survey analysis. The average interest rate among the longitudinal group for new loans, as of February 2017, was 4.20%, an increase from a year earlier, when the average interest rate was 3.97% for new financing (see Appendix E.3).

Among the longitudinal group, average points offered by lenders declined from last year, falling from 0.42 to 0.39.

Underwriting Criteria and Loan Performance

The average maximum loan-to-value (LTV) ratio remained unchanged this year, holding at 74.0% among the longitudinal group. The average debt service ratio rose slightly, up from 1.21 last year to 1.23 this year (see Appendix E.4). And like the main mortgage survey analysis, vacancy and collection (V&C) losses among the longitudinal group declined, to 2.92% this year, from 3.14% last year.

Looking at the rate of delinquencies among the longitudinal group, the same number of lenders reported non-performing loans this year as did last year. However, regarding foreclosures, two lenders reported them this year, while none did the

Selected 2017 Mortgage Survey Data Compared to 2017 Longitudinal Data

Average Interest Rates, Loan Volume, Points, Loan-to-Value Ratios, Debt Service Coverage, and Vacancy & Collection Losses

(Averages)	NF Interest Rate	NF Loan Volume	RF Loan Volume	NF Points	Max LTV Ratio	Debt Service Ratio	V&C Losses
2017 Mortgage Survey Data	4.26%	105	43	0.44	73.7%	1.22	2.92%
2017 Longitudinal Data	4.20%	111	46	0.39	74.0%	1.23	2.92%

NF= New Financing RF= Refinancing LTV=Loan-to-Value V&C=Vacancy and Collection

Source: NYC Rent Guidelines Board, Annual Mortgage Surveys

previous year, and they represented 0.1% of their portfolios For additional comparisons between the main survey analysis and longitudinal groups, see table on this page.

Sales Data Analysis

The NYC Department of Finance collects and provides public property sales information online. Utilizing this data, this report examines sales data from 2016, and compares it with the prior year. This year's sales data analysis includes buildings listed as sold in 2016 in the Department of Finance database. These are matched to buildings that have filed NYS Division of Housing and Community Renewal (DHCR) building registrations; have not converted to co-op/condo; and have sold for at least $1,000.

Building Sales Volume

In 2016, 1,167 buildings containing rent stabilized units were sold in New York City, down 14% from the prior year. Each borough saw sales volume decline, though at differing proportions. In Manhattan, sales fell the least, falling 7%; while in Queens, sales declined 9%; in the Bronx, they were down 11%; and in Brooklyn, sales fell the most, declining 24%. As in prior years, Staten Island was not included in this analysis because there were too few rent stabilized building sales to meaningfully measure change from year to year.[7] (See the table on this page for a numerical breakdown in the change in the number of buildings sold in each borough and Citywide.)

Among the smallest rent stabilized buildings sold in 2016, containing 6-10 residential units, sales volume was down 21% Citywide, but the decline varied greatly by borough. Sales among 6-10 unit buildings fell the most in Queens, down 30%, and fell the least in the Bronx, down 2%. In between were Brooklyn, down 20%, and Manhattan, down 26%.

Sales volume among 11-19 unit buildings also declined, falling 10% Citywide. However, not all

Comparison of Building Sales in 2015 vs. 2016

Sales Volume Decline Varies by Borough

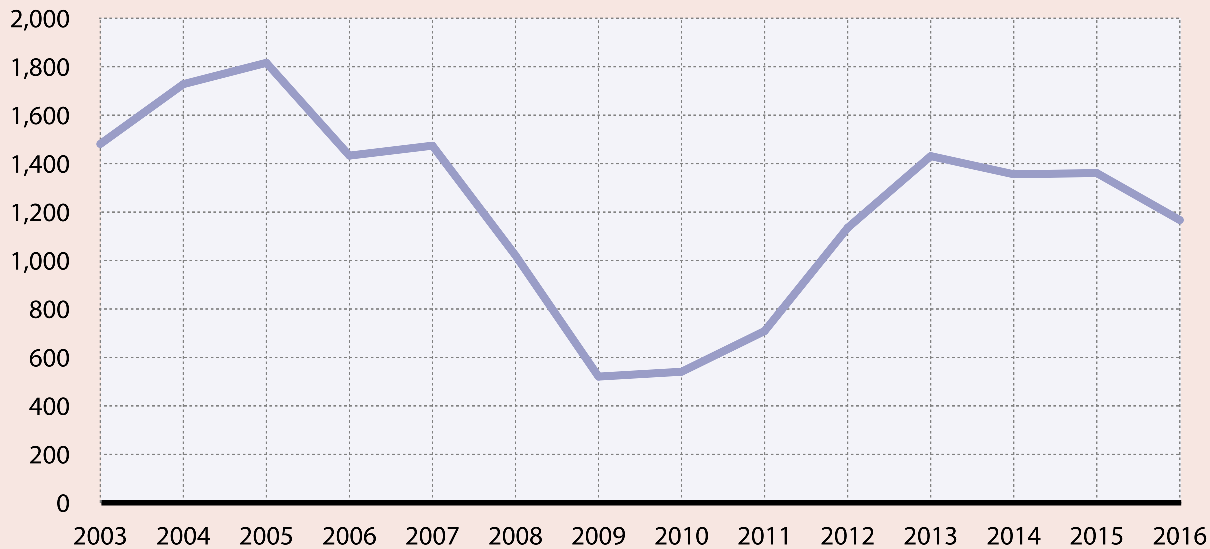
	2015	2016	Change
Bronx	262	234	-10.7%
Brooklyn	499	378	-24.2%
Manhattan	438	407	-7.1%
Queens	162	148	-8.6%
Citywide	**1,361**	**1,167**	**-14.3%**

Note: Citywide figures exclude Staten Island

Source: NYC Department of Finance

Rent Stabilized Building Sales, 2003-2016

Citywide Building Sales Declined From Prior Year



Source: NYC Department of Finance
Note: Figures exclude Staten Island

boroughs saw a decline. In Brooklyn, sales among 11-19 unit buildings fell 28%, and in Manhattan, they fell 11%. However, sales rose 29% in the Bronx and were flat in Queens.

Among 20-99 unit buildings, sales volume also declined Citywide, falling 11%. By borough, sales of 20-99 unit buildings in Brooklyn fell the most, down 28%; the Bronx fell 21%; and Manhattan declined 3%. However, sales rose 70% in Queens.

Among the largest buildings, which contain 100 or more units, sales volume Citywide increased 20%. Unfortunately, we are unable to analyze sales data by borough because of the small number of buildings sold. However, these buildings sales are included in the totals by borough and Citywide.[8]

Building sales data show that for the period from 2003 to the present, sales volume reached its peak in 2005, but by 2009, sales Citywide were at their lowest level of the fourteen-year period for which we have data. Between 2009 and 2015, sales volume Citywide increased every year but one. See the graph on this page and Appendix E.7 for annual sales volume Citywide.

Building Sales Prices

We also examine 2016 sales prices Citywide and by borough. However, in reporting sales prices, we are not able to take into consideration the condition of the building or the neighborhood where each building is sold, factors important in determining the sales price.

Examining rent stabilized building sales prices for all sizes of buildings, the median Citywide sales price was $4.5 million in 2016. The highest median sales price was in Manhattan ($8,000,000); followed by the Bronx ($3,562,500); Brooklyn ($2,600,000); and Queens ($2,150,000).

Examining the smallest buildings (containing 6-10 residential units), the median sales price Citywide was $1,748,205. By borough, prices were highest in

Manhattan, at $5,050,000; followed by Brooklyn, at $1,800,000; Queens, at $1,350,000 and the Bronx, at $1,050,000.

Among 11-19 unit buildings, the median Citywide price was $3,831,250. By borough, sales prices were again highest in Manhattan, at $6,270,000; followed by Queens, at $4,300,000; Brooklyn, at $3,500,000; and the Bronx, at $2,152,274.

Buildings with 20-99 units sold Citywide at a median price of $8,250,000. By borough, these buildings sold for the most in Queens, at a median price of $11,813,642; followed by Manhattan, at $9,850,000; Brooklyn, at $8,400,000 and the Bronx, at $5,497,559.

Among the largest buildings, which contain 100 or more units, buildings Citywide sold for a median price of $41,862,500. However, as previously mentioned, too few buildings containing 100 or more residential units were sold to accurately report borough building prices in more detail. See Appendix E.8 for a breakdown of median sales prices in each borough among different sized buildings.

Summary

In conclusion, while interest rates and service fees rose, they remained close to the record lows reached in last year's survey. However, vacancy and collection losses did fall to their lowest level in this survey's history. In addition, the number of rent stabilized buildings sold fell from the prior year. ❐

Endnotes

1. Federal Deposit Insurance Corporation (FDIC) website: https://fdic.gov

2. Mortgage Survey Analysis section previously called the Cross-Sectional Study.

3. Federal Reserve Board website: http://www.federalreserve.gov/monetarypolicy/openmarket.htm and https://www.frbdiscountwindow.org

4. "Fed Raises Interest Rates for Third Time Since Financial Crisis," by Binyamin Appelbaum, New York Times. March 15, 2017.

5. The per unit, per month O&M expense and rent figures reported in the Mortgage Survey reflect a very small, non-random sample of the City's regulated stock and are included for informational purposes only. The rent and expense figures in the NYC Rent Guidelines Board's *Income and Expense Study* are derived from a substantially larger number of stabilized buildings and can be viewed as more authoritative.

6. The O&M cost-to-rent ratio from the 2017 *Mortgage Survey* reflects estimates by lenders of expenses and rents for rent stabilized buildings as of approximately February 2017. The average ratio is calculated from just nine respondents. By comparison, the latest available O&M cost-to-rent ratio from the *Income and Expense (I&E) Study*, in which average rent was $1,323 and average unaudited cost was $960, reflects rents and expenses reported by owners for calendar year 2015. Average monthly costs per unit in the Mortgage Survey this year are lower than those reported in the I&E. This is due to differences in the two data sources: Lenders' estimated average of buildings in an institution's portfolio vs. a weighted average of a large number of owner-reported data; the large variance between the two sample sizes; and the difference between the buildings studied in each analysis. (Buildings required to file Real Property Income and Expense (RPIE) forms must generally have an assessed value greater than $40,000 and eleven or more units, while the Mortgage Survey does not exclude these buildings).

7. The data reflect sales of buildings that had been registered with the New York State Division of Housing and Community Renewal (DHCR) as containing rent stabilized units in 2015, the most recent year for which comprehensive registration records are available. It excludes those buildings where the sales price was listed as less than $1,000. It also excludes those buildings listed as co-ops/condos. Furthermore, all of Staten Island is excluded from all analyses due to the small number of buildings sold.

8. All 100+ unit building borough categories are excluded due to the small number of buildings sold. However, while these categories are not discussed, these buildings are included in the overall statistics and analyses.

Income and Affordability

2017 Income and Affordability Study........ pg. 53

2017 Income and Affordability Study

What's New

- Results from the *2015 American Community Survey* show that median renter income is $43,261, median gross rent is $1,317, and the median gross rent-to-income ratio is 32.0%.
- NYC's economy grew by 2.9% in 2016, compared to a 3.3% increase during 2015.
- The City gained 86,100 jobs in 2016, a 2.0% increase from 2015 in total employment levels.
- The unemployment rate fell in 2016, to an average of 5.2%, down from 5.7% in 2015.
- In 2016, an average of 58,770 people were staying in NYC Department of Homeless Services shelters each night, up 2.8% from 2015.
- The number of non-payment filings decreased 0.4% in 2016, while those actually heard in housing court decreased 5.4%, and the number of evictions rose 0.5%.
- Cash assistance caseloads increased 2.4% during 2016, while SNAP caseloads fell 0.7%, Medicaid enrollees fell by 11.6%, and job placements among cash assistance recipients rose 4.2%.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider "relevant data from the current and projected cost of living indices" and permits consideration of other measures of housing affordability in its deliberations. To assist the Board in meeting this obligation, the RGB research staff produces an annual *Income and Affordability Study*, which reports on housing affordability and tenant income in the New York City (NYC) rental market. The study highlights year-to-year changes in many of the major economic factors affecting NYC's tenant population and takes into consideration a broad range of market forces and public policies affecting housing affordability. Such factors include NYC's overall economic condition — unemployment rate, wages, Consumer Price Index and Gross City Product — as well as the number of eviction proceedings and the impact of welfare reform and federal housing policies on rents and incomes.

Overview

Looking at NYC's economy during 2016, it showed many strengths as compared with the preceding year. Positive indicators include growing employment levels, which rose for the seventh consecutive year, increasing 2.0% in 2016. The unemployment rate also fell, declining by 0.5 percentage points, to 5.2%. Gross City Product (GCP) also increased for the seventh consecutive year, rising in real terms by 2.9% in 2016. The number of non-payment filings in Housing Court fell by 0.4%, and the number of cases heard in Housing Court fell 5.4%. Supplemental Nutrition Assistance Program (SNAP) caseloads also fell, for the third consecutive year, by 0.7%.

Negative indicators include the eighth consecutive year of increase in homeless levels, which rose to an average of almost 59,000 persons a night, an increase of 2.8% over 2015 levels. Cash assistance caseloads also rose, by 2.4% over 2015 levels. Inflation is also on the rise, with a 1.1% increase during 2016, compared to just 0.1% during 2015. Evictions also rose during 2016, increasing by 0.5%.

In addition, inflation-adjusted wages remained flat during the most recent 12-month period for which data is available (the fourth quarter of 2015 through the third quarter of 2016), rising just 0.1%.

The most recent numbers, from the fourth quarter of 2016 (as compared to the fourth quarter of 2015), show that homeless levels were up 4.6%; cash assistance levels were up 0.7%; SNAP recipients were up 0.4%; and the number of cases heard in Housing Court were up 7.9%.[1] However, many fourth quarter indicators were positive, with employment levels up 1.2%, the unemployment rate down 0.5 percentage points, the number of non-payment filings in Housing Court down 2.2%, and fourth quarter GCP rising, by 1.8% in real terms.

Economic Conditions

Economic Output and Consumer Prices

NYC's economy expanded during 2016, growing for the seventh consecutive year. NYC's Gross City Product (GCP), which measures the total value of goods and services produced, increased by 2.9% during 2016, following an increase of 3.3% in 2015.[2] There has been positive economic growth in all but two quarters since the first quarter of 2009. During 2016, the greatest growth was during the first quarter, a 4.0% rise. For comparison, GCP increased by an annualized average of 1.8% per year between 2000 and 2009 and 4.3% in the 1990s. The analogous national number, United States Gross Domestic Product (GDP), increased 1.6% during 2016, lower than the increase of 2.6% during 2015.[3]

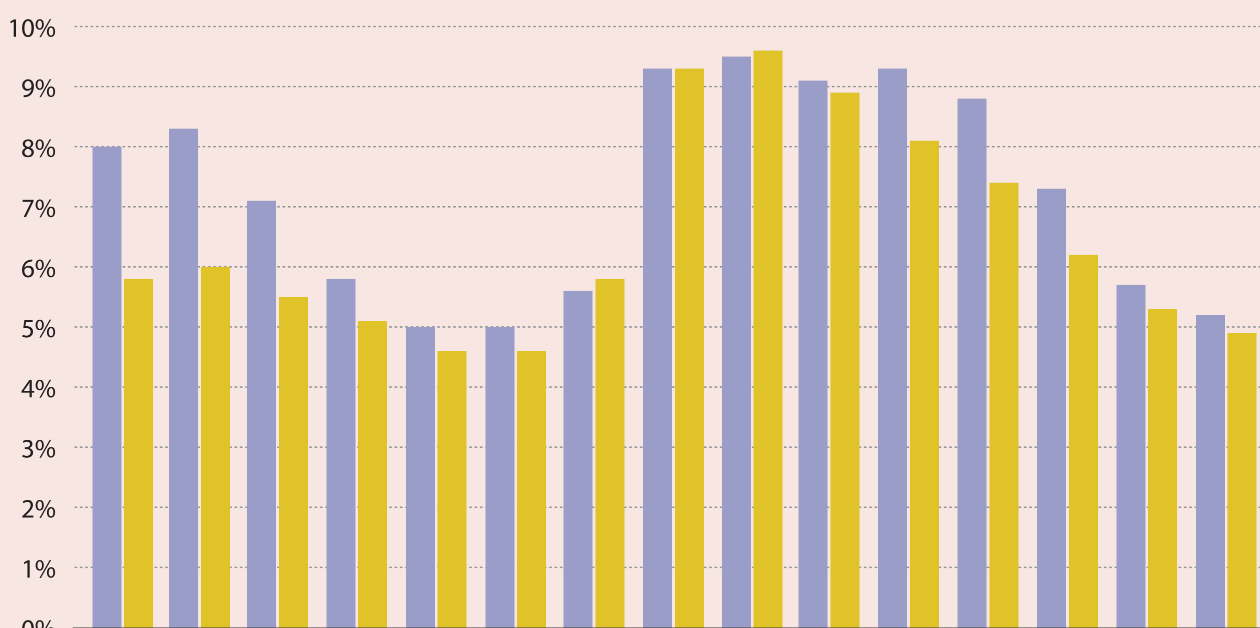
The Consumer Price Index (CPI), which measures the change in the cost of typical household goods, increased 1.1% in the NYC metropolitan area during 2016, a higher rate of inflation than seen in the previous year, when prices rose on average 0.1%.[4] Inflation was lower than that of urban consumers in the U.S. as a whole, with prices rising 1.3%, following an increase of 0.1% during 2015.

Unemployment Statistics

NYC's unemployment rate fell for the fourth consecutive year, declining 0.5 percentage points, to 5.2%.[5] This is the lowest unemployment rate since

NYC and U.S. Unemployment Rates, 2002-2016

NYC & U.S. Unemployment Rates Fall in 2016



	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
NYC	8.0%	8.3%	7.1%	5.8%	5.0%	5.0%	5.6%	9.3%	9.5%	9.1%	9.3%	8.8%	7.3%	5.7%	5.2%
US	5.8%	6.0%	5.5%	5.1%	4.6%	4.6%	5.8%	9.3%	9.6%	8.9%	8.1%	7.4%	6.2%	5.3%	4.9%

Source: U.S. Bureau of Labor Statistics and NYS Dept. of Labor; Data is updated annually and may differ from that in prior reports.

2007, when it was 5.0%. The U.S. unemployment rate declined by a smaller proportion, falling from 5.3% in 2015 to 4.9% in 2016, a 0.4 percentage point drop.[6] (See graph on previous page and Appendix F.1.)

In both January and February of 2017, the most recently available data, the unemployment rate for NYC was 4.8%. The 2017 January and February rates are both 0.8 percentage points lower than the same months of the prior year. The analogous national figure was 5.1% in January of 2017 and 4.9% in February, 0.2 percentage points lower than January of 2016 and 0.3 percentage points lower than the previous February.

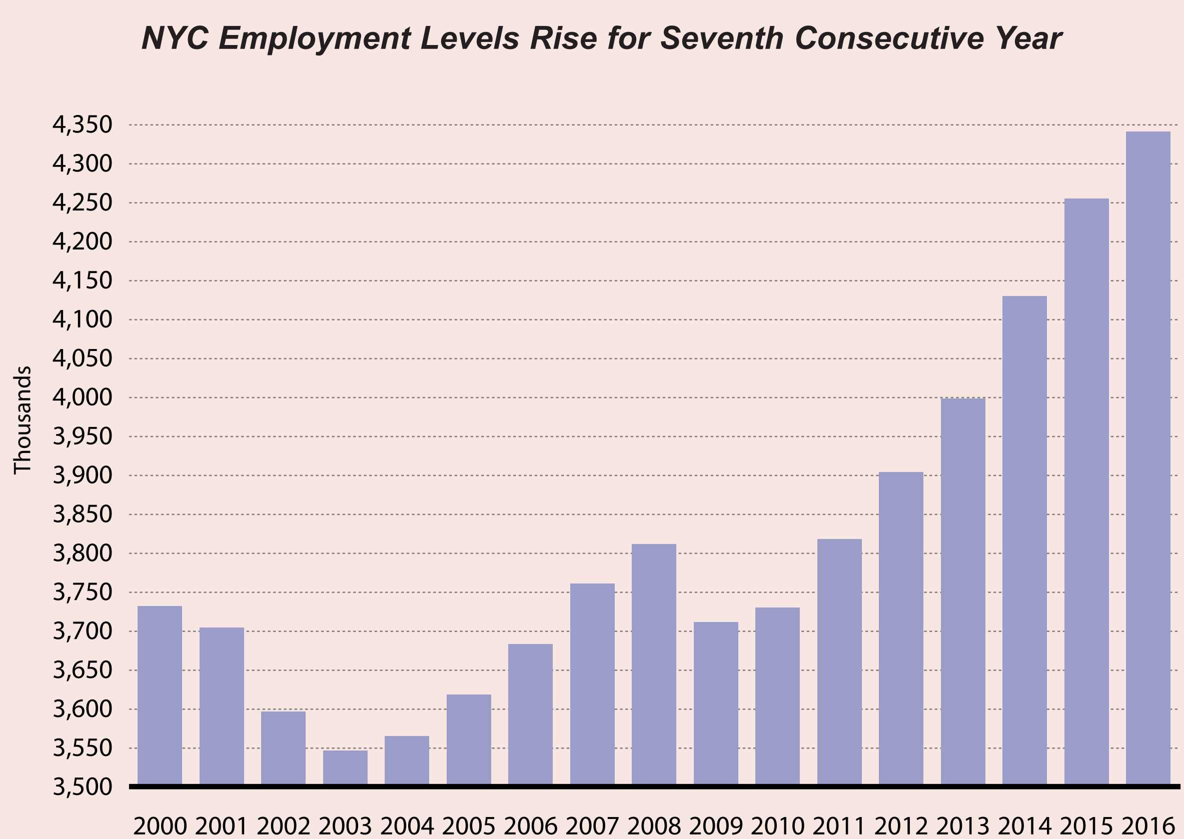
For all of 2016, Manhattan and Queens had the lowest unemployment rates of the boroughs, 4.5%, with Staten Island's rate at 5.2%, Brooklyn at 5.3%, and the Bronx, consistently the borough with the highest unemployment rate, averaging 7.1%. Unemployment rates fell in every borough during 2016, from between 0.4 percentage points in Manhattan, to as much as 0.7 percentage points in the Bronx.

Employment Statistics

For the seventh consecutive year, the number of people employed in NYC increased, following gains in all but one year since 2003 (see graph on this page). Overall, among both city residents as well as those commuting into the city, NYC gained 86,100 jobs in 2016, a 2.0% increase from 2015.[7]

Employment levels rose in all but two industries, rising by the greatest proportion in the Construction sector, which grew by 5.0% (7,000 jobs) during 2016. The Education and Health Services sector also grew, rising by 3.7% (33,300 jobs) during 2016, and the Professional and Business Services sector grew by

Average Annual Payroll Employment, NYC, 2000-2016



Source: NYS Dept. of Labor

3.3% (23,400 jobs). In the Manufacturing sector, which has declined in all but five years since 1990 (the first year for which data is available), employment fell by 1.9% (1,500 jobs), and is down more than 71% as compared with 1990. The Trade, Transport, and Utilities sector also fell, declining by 0.1% (800 jobs). All other sectors rose from between 0.5% and 2.3%. (See Appendix F.2 for more detailed employment information.)

During the first two months of 2017, total employment levels were up as compared to the same months of 2016, with levels 2.0% higher in January and 1.5% higher in February, as compared with the same months of the prior year. Employment levels in both January and February were up in all but two sectors of each month.

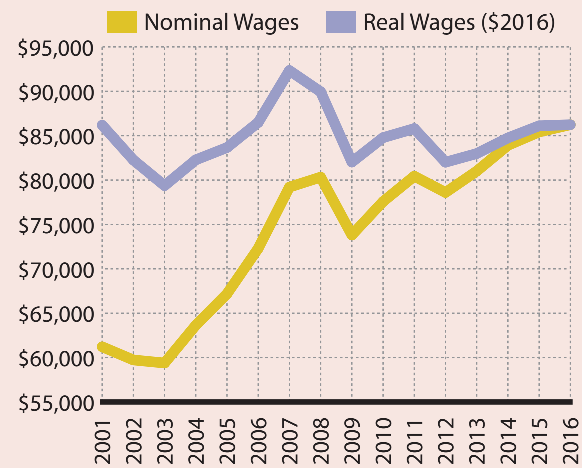
Two other employment indices are tracked in the *I&A Study*. The NYC labor force participation rate measures the proportion of all non-institutionalized people, age 16 and older, who are employed or actively looking for work. This ratio increased slightly in 2016, to 60.3%, up from 60.2% in 2015.[8] This remained lower than the U.S. rate, which increased to 62.8% from 62.7% in 2015.[9] A related statistic, the NYC employment/population ratio, measures the proportion of those who are actually employed as a ratio of all non-institutionalized people age 16 or older. After remaining virtually unchanged between 2009 and 2012, the rate rose for the fifth consecutive year, up 0.4 percentage points in 2016, from 56.8% in 2015 to 57.2% in 2016. The U.S. employment/population ratio also rose in 2016, rising 0.4 percentage points from 2015 to reach 59.7%.

Wage Data

This report also examines wage data of employees working in NYC (regardless of where they live), though the analysis is limited by the fact that there is a significant lag time in the reporting of income data. Based on data derived from the NYS Department of Labor's Quarterly Census of Employment and Wages (QCEW), the most recent annual numbers cover the 2015 calendar year. The data for this time period shows an increase in both nominal wages and "real" wages (wages adjusted for inflation). Real wages increased by 1.1% in 2015, following an increase of 4.0% in the prior year. Real wages rose from $84,857 (in 2015 dollars) to $85,785, with wages rising in all but one sector.[10] Nominal wages (wages in current dollars) increased by 1.2% over the same time period, following a 5.3% increase in the prior year.

Real and Nominal Wages, 2001-2016

Both Real and Nominal Wages Increase in 2016



Source: NYS Dept. of Labor

Note: Each "year" consists of the first three quarters of that year, and the fourth quarter of the preceding year.

Due to the six-month lag time in reporting of QCEW wage data, in order to present the most recent statistics possible, staff has formulated a "year" that comprises the most recent 12-month period (in this case, the fourth quarter of 2015 through the third quarter of 2016). This "year" was then compared with the equivalent period of the preceding "year," which in this most recent time period showed that overall wages increased by 0.1% in real terms and by 1.0% in nominal terms (note that data is preliminary). This compares to increases in the preceding 12-month period of 1.6% in real terms and 1.8% in nominal terms. (See Appendices F.3 and F.4, and graph on this page.)

Real wages in the Finance and Insurance sector, which accounts for just over a quarter of all wages in the NYC QCEW (and therefore carries more weight than any other single sector), declined by a real 4.5%

during the most recent 12-month time period, the second largest proportional decline of any sector (of those that declined). This compares to rises of 0.1% and 5.6% in the prior two 12-month periods. The sector with the second greatest weight, Administrative, Waste, Educational, and Health Services (accounting for 16% of all wages), rose by a real 2.3% during this time period. Professional and Technical Services (accounting for 14% of all wages) rose by a real 2.0%. The Government sector, with 10% of all wages, also rose, by 1.6% in real terms. Two additional sectors, both with relatively low weight, saw decreases in real wages during 2016, including Management of Companies, which fell 4.6%.

On a quarterly basis, real wages as reported by the QCEW fell by 2.0% in the first quarter as compared to the same quarter of 2015, and rose 0.4% in the second quarter, and 1.9% in the third quarter. "Yearly" wage growth also includes the fourth quarter of 2015, when wages rose 1.0% in real terms.

"Annual" QCEW wage growth was impacted most by the negative growth of the Finance and Insurance sector, which helped pull overall wages lower than they would have grown otherwise. If the Finance and Insurance sector were removed from the analysis, wages would have grown by 2.1% in real terms, compared to the already noted growth of 0.1% overall.

The U.S. Bureau of Labor Statistics also tracks wage data, as part of their Current Employment Statistics (CES) survey.[11] Unlike the QCEW, this data cannot be analyzed for specific industries, and while more current than that of the QCEW, is based on a much smaller sample size. In addition, this data does not include certain monetary compensations that are included in the QCEW, such as bonuses and sums received when exercising stock options, so is therefore less variable on a month-to-month basis than data from the QCEW. Per the CES survey, weekly wages rose by a nominal 0.4% in NYC during calendar year 2016, lower than the rate of growth during 2015 (3.1%), and also lower than that of the nation as a whole (2.0%). In real dollars, weekly wages fell by 0.7% in NYC and rose by 0.7% for the nation as a whole between 2015 and 2016. On a quarterly basis, the CES data shows that NYC weekly wages (in real terms) fell in each quarter of 2016, by the most in the first quarter (1.3%) and by the least in the third quarter (0.2%).

Bankruptcy Statistics

Staff also examined bankruptcy filings for NYC residents from 2000-2016. Between 20,000 and 30,000 persons filed for personal bankruptcy annually between 2000 and 2004, before surging to 42,852 in 2005 as bankruptcy laws were set to change. In the following year, with new laws in place making it more difficult to file for bankruptcy, only 7,961 persons filed for personal bankruptcy, an 81.4% decline. Filings then increased every year through 2010, reaching a high of 17,685. Filings then declined in each year between 2011 and 2015, before increasing in 2016, rising 0.3%, to 8,700. However, rates in the U.S. as a whole declined, by 6.0%.[12]

Poverty Statistics

The most recently available data from the Census Bureau reports that the NYC poverty rate for all individuals was 20.0% in 2015, lower than the rate of 20.9% in 2014. This compares to 14.7% for the nation as a whole, a decline from 15.5% in 2014.[13] Poverty rates vary widely depending on borough. Rates range from a low of 13.8% in Queens, to 14.4% in Staten Island, 17.6% in Manhattan, 22.3% in Brooklyn, and 30.4% in the Bronx, consistently the highest rate of the boroughs. As compared to the prior year, rates fell in every borough but Manhattan, where they remained the same. (See Appendix F.8.)

Also reported are poverty rates by age. The poverty rate for persons under the age of 18 in NYC was 28.6% in 2015. The rate was 17.6% for individuals 18 to 64 and 18.1% for persons 65 years and over. For families, 16.8% were living under the poverty line in 2015. For families containing related children under the age of 18, the figure is higher than that of all families, 24.1%. For married-couple families, the overall poverty rate was 10.4% in 2015, while for female- and male-headed families (i.e., no spouse present) it was 29.8% and 16.7%, respectively. Rates for every category but male-headed households fell as compared to the prior year, by as much as 1.8 percentage points.

The Census Bureau has also begun work on a "Supplemental Poverty Measure," an additional measure of poverty that will include more factors in estimating income resources.[14] Using a similar methodology, the NYC Center for Economic Opportunity (CEO) calculated household poverty rates for NYC residents from 2005-2014 and found poverty rates higher than those officially released by the Census Bureau.[15] For instance, the official household poverty rate in 2014 was 19.1% and the CEO estimate was 20.7%. The gap between official and CEO estimates has been as high as 3.0 percentage points over the ten years studied by this City agency.

2014 New York City Housing & Vacancy Survey

Vacancy Rates, Income, Rent, and Affordability of Rental Housing

Results from the *2014 New York City Housing and Vacancy Survey* (*HVS*) were first reported in the *2015 Income & Affordability Study*, and they revealed the continuation of a very tight NYC housing market.[16] This triennial survey of the housing and demographic characteristics of the City's residents found that the Citywide vacancy rate was 3.45% in 2014, well below the 5% threshold required for rent regulation to continue under State law, but higher than that found during the last *HVS*, 3.12%.[17]

According to the *2014 HVS*, which reflects household income for 2013, the median income for all rental households was $41,500. Tenants living in stabilized buildings built prior to 1947 ("pre-war") had a median income of $40,000, and post-46 ("post-war") tenants earned a median income level of $46,000. Stabilized tenants on the whole had a median income of $40,600.[18]

The HVS also examines rent levels, and it revealed that in 2014, the median monthly contract rent, which excludes any additional tenant payments for fuel and utilities, for all rental units was $1,200. Rent stabilized tenants on the whole paid this same amount ($1,200) in median contract rent, including $1,153 for pre-war rent stabilized apartments, and $1,300 for post-war rent stabilized apartments. Median gross rent, which includes fuel and utility payments, was $1,325 for all renters. Rent stabilized tenants on the whole paid a median gross rent of $1,300 in 2014, including $1,266 for pre-war rent stabilized apartments, and $1,413 for post-war rent stabilized apartments.

Examining affordability of rental housing, the *2014 HVS* reported that the median gross rent-to-income ratio for all renters was 33.6%, meaning that half of all households residing in rental housing pay more than 33.6% of their income in gross rent, and half pay less. Rent stabilized tenants as a whole had a median gross rent-to-income ratio of 36.2% in 2014, with rent stabilized tenants in pre-war apartments facing a median rent burden of 36.8% and tenants in post-war units with a lower median ratio, 34.6%. The contract rent-to-income ratio was 31.0% for all renters in 2014, and 33.0% for rent stabilized tenants.

Furthermore, a third (32.9%) of rental households pay more than 50% of their household income in gross rent. Generally, housing is considered affordable when a household pays no more than 30% of their income in rent.[19] For rent stabilized tenants on the whole, 35.7% pay more than 50% of their income towards gross rent, as do 36.5% of tenants in pre-war apartments and 33.5% of tenants in post-war apartments. It is important to note that an analysis done by RGB staff of the last four triennial *HVS* surveys found that officially reported rent-to-income ratios were somewhat high due to an anomaly in the way rents for tenants receiving Section 8 are recorded by the *HVS*. While generally paying no more than 30% of their income towards rent, tens of thousands of rent stabilized tenants receiving Section 8 are recorded with gross rent-to-income ratios in excess of 100%. The RGB analysis of *2014 HVS* data found that the gross rent-to-income ratio for rent stabilized tenants not receiving Section 8 was 33.5%, a difference of 2.7 percentage points from overall rent stabilized rates. Similarly, rates were lower by 1.2 percentage points in 2005, 1.1 percentage points in 2008, and 2.2 percentage points in 2011. The estimated "out of pocket" rent-to-income ratio for rent stabilized tenants in 2014 was 33.2%.

More detailed *HVS* data can be found in the prior two *I&A Studies*, and in Appendix D of this book, published annually by the Rent Guidelines Board.

Preliminary data from the *2017 HVS* is expected to be released in early 2018.

Other Measures of Affordability

American Community Survey

Per data from the Census Bureau's most recent annual nationwide survey, the *2015 American Community Survey (ACS)*, NYC's median gross rent-to-income ratio ranks 25th highest among 82 big cities (those with populations of at least 250,000).[20] At 32.0%, the median gross rent-to-income ratio in NYC fell 0.7 percentage points from 2014 levels (see graph below). By borough, rates ranged from a low of 28.9% in Manhattan, to 32.1% in Brooklyn, 32.6% in Staten Island, 33.0% in Queens, and 35.6% in the Bronx. The only borough to rise as compared to the prior year was Manhattan, which rose by 0.5 percentage points. Rates fell by the greatest proportion in Staten Island, where they dropped by 2.1 percentage points.

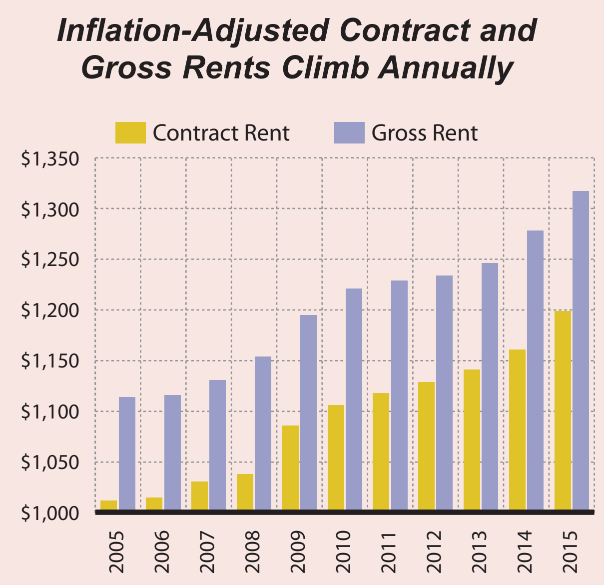
The proportion of households Citywide paying 50% or more of their income towards gross rent fell as compared to 2014, decreasing from 30.2% to 29.5%. At the borough level, rates ranged from a low of 22.8% households paying at least 50% of their income towards gross rent in Manhattan, to a high of 36.0% of households in the Bronx.

This survey also reports that the median contract rent in NYC was $1,199 in 2015, and the median gross rent was $1,317 (see graph above). Between 2014 and 2015, median monthly contract rents for all apartments in NYC increased an inflation-adjusted ("real") 3.2% and median gross rents increased by 3.1%. In nominal terms the increases were 3.4% and 3.2%, respectively. Inflation-adjusted gross rents rose by 2.7% in the Bronx, 2.8% in Brooklyn, 3.3% in Queens, 5.0% in Staten Island and 5.1% in Manhattan.

During 2015, median household income rose both nominally and in real terms, by 5.2% and 5.1% respectively, to $55,752. Median household income for renters rose by a greater proportion than that of owner households, rising by a real 4.8% and 4.5%, respectively. Since the inception of this survey in 2005, renter income has fluctuated in real 2015 dollars from a low of $39,855 in 2011 to a high of $43,563 in 2008. It was $43,261 in 2015.

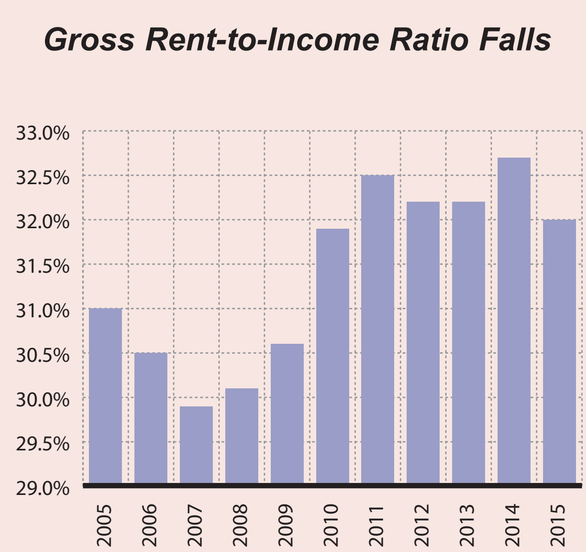
The survey also provides average household income for cities in quintiles. In NYC the top quintile (i.e., the top 20%) in average household income makes 27.20 times more than the lowest quintile (i.e., the

Rent in Constant 2015 Dollars, 2005-2015



Source: American Community Survey, 2005-2015

Gross Rent-to-Income Ratio, 2005-2015



Source: American Community Survey, 2005-2015 lowest 20%), the seventh highest ratio among big cities, and an increase from 27.02 in 2014. While New York's income disparity ratio does rank near the top nationwide, it lags behind Boston, with a ratio of 31.54, the highest disparity among big cities. Other major cities, such as Los Angeles (21.70), Chicago (23.88), Houston (20.23), and Philadelphia (21.54), all have smaller differentials between income levels than NYC. Including the aforementioned Boston, the cities ranking higher than NYC are New Orleans, Atlanta, Washington, DC, San Francisco and Miami, which have ratios ranging from between 27.25 and 31.54. The smallest disparity among big cities is in Virginia Beach, Virginia, with a ratio of 9.43. While the ratio between the upper and lower quintiles was 27.20 for all of NYC, it was 41.75 in Manhattan, where the top quintile makes an average of more than $432,000 more annually than the lowest quintile.

Also reported is the percentage of income spent on monthly housing costs for different household income categories. Approximately 94% of all renters both pay rent and report an income, and among those renters, 25% make less than $20,000 a year. For this lowest household income category, 88.8% spend at least 30% of their household income on housing costs and 2.3% spend less than 20%. As income levels increase, the proportion of renters who spend at least 30% of their household income on housing costs decreases, while the proportion paying less than 20% increases (see graph on this page). At the highest income category provided by the *ACS*, those households earning $75,000 or more (30% of all renters), 10.6% spend at least 30% of their income on housing costs, while 60.2% spend less than 20%.

Consumer Price Index

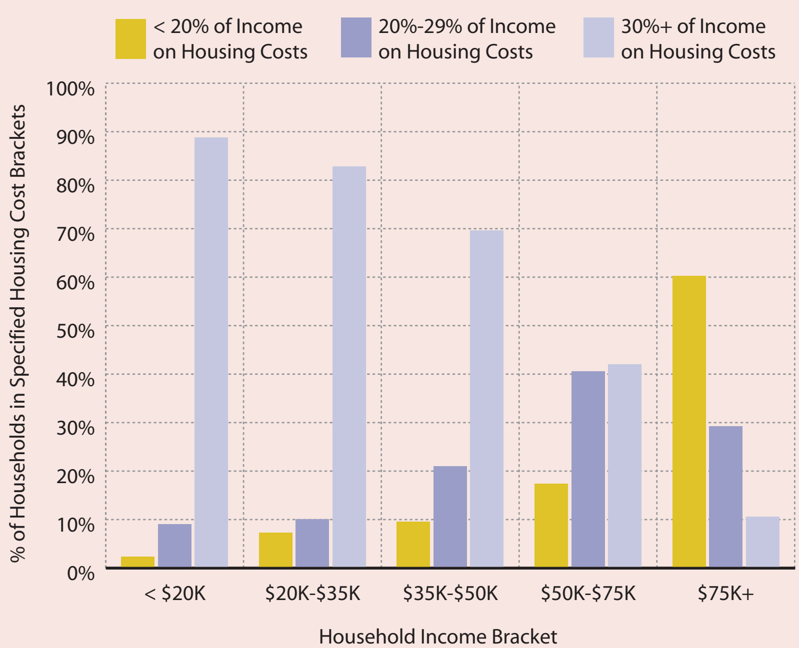
One of the many prices tracked in the federal Consumer Price Index (CPI) is the cost of rental housing. While not specific to NYC (the local CPI area extends into the suburbs of the City), the CPI can provide a useful comparison of the rise of housing costs to those of other components of the price index.[21] For the 48-year period since the inception of rent stabilization (from 1968 to 2016) the cost of rental housing in the New York area rose 779% and overall prices rose more slowly, at 630%. This is the converse of nationwide averages, where the cost of rental housing rose at a slower pace than overall costs (585% and 590%, respectively).

Between 2015 and 2016, rental costs rose 3.4% in the NYC area, versus an overall increase in prices of 1.1%. This is slightly higher than the 2015 rent increase of 3.1%. This is the highest proportional increase since 2009 in the NYC area.

In the U.S. as a whole, rental costs rose at a faster pace than the NYC area, rising by 3.8% in 2016.

Renter Housing Costs as a Percentage of Household Income, 2015

The Greater the Income, the More Affordable the Housing



Source: American Community Survey, 2015

Rental costs in the NYC metropolitan area rose more slowly than three of the seven cities selected for comparison, including the metropolitan areas of Atlanta, Los Angeles, and San Francisco, where rents rose at rates between 4.7% and 6.6% in 2016. But rental rates in the NYC metropolitan area did rise faster than those in four other study areas, including Philadelphia, Boston, Chicago, and Washington, DC, where rents rose between 0.6% and 3.2%.

Section 8 Housing Availability

Following increased funding in 2007 to the Section 8 housing voucher program (which allows recipients to live in privately owned housing, paying 30% of their income towards rent), the NYC Housing Authority (NYCHA) opened the waiting list for the first time since 1994.[22] These expanded funding levels led to significant increases in the number of Section 8 occupied units funded by NYCHA (which increased from 82,801 in Fiscal Year (FY) 2007 to a recent high of 100,570 in FY 2010, a 21.5% increase), as well as significant increases in the number of people placed through Section 8 vouchers during those years. The number of Section 8 apartments has since fallen, to 84,638 units (a 2.0% drop from the prior year).[23] NYCHA also tracks the number of applicants newly placed through the Section 8 program. For the second consecutive year, placements rose, rising from 892 in FY 2015 to 1,706 in FY 2016. And placements rose again in the first four months of FY 2017 as compared to the first four months of FY 2016, from 501 to 546. There are approximately 119,000 persons currently on the NYCHA Section 8 waiting list, 1,000 persons fewer than last year.

The NYC Department of Housing Preservation and Development (HPD) also maintains a Section 8 program, although as opposed to NYCHA, applicants must fall within specific HPD preference categories or special admission programs, and applications are not accepted from the general public.[24] As of December of 2016, HPD was funding 39,396 Section 8 vouchers, approximately the same number as the previous year. Notably, 46% of HPD's Section 8 vouchers are utilized by tenants with disabilities. And among all HPD Section 8 rentals, the average tenant share of rent is $403, with an average income level of $16,347.[25]

Non-Government Sources of Affordability Data

Staff also calculated electricity costs for a typical rental household. Assuming usage of 300 kWh and supply via Con Edison, the average renter's bill would have decreased by 5.5% during 2016, following an 8.2% decrease during 2015. During the most recent 12-month period (April of 2016 through March of 2017), due to price decreases in 10 of the 12 months of the year, costs fell 2.0% as compared to the prior "year." For comparison, during the previous 12-month period, costs decreased 9.2%.[26] New Yorkers pay some of the highest electricity bills in the nation, with the average cost per kWh in 2015 2.1 times that of the nation as a whole.[27] Last year Con Edison announced a residential rate hike as of January 2017 that would raise electric rates an average of 5.2%, the first rate increase for delivery services since April of 2012. They also estimate that tenants who use gas for cooking will see an average increase of 14.4% in the gas portion of their ConEd bill.[28]

Another measure of affordability is the Council for Community and Economic Research's Cost of Living Index (COLI), which tracks the cost of living in almost 300 urban areas, including Manhattan and Brooklyn. Based on 60 different items, the survey collects more than 90,000 prices for housing, utilities, groceries, transportation, health care, and miscellaneous goods and services. In the first three quarters of 2016, Manhattan and Brooklyn ranked as numbers one and four/five, respectively, on the list of most expensive urban areas.[29] The study calculated that Manhattan was approximately 2.3 times as expensive to live in as the national average, while Brooklyn was approximately 1.7 times more expensive.

This same study found that someone moving from Boston who makes $58,263 a year (the 2015 median household income in Boston, per the *American Community Survey*) would need to make $90,959 to achieve the same standard of living in Manhattan, while paying 21% more for groceries, 18% more for transportation, and 135% more for housing (including

61% more for renters).[30] Moving to Brooklyn would be somewhat more economical, requiring a salary of $68,347 to achieve the same standard of living. As with Manhattan, the most inflated component in Brooklyn is housing, which is approximately 48% more expensive than in Boston (with rental apartments 1% less expensive).

While the COLI study found that significantly more income is required to live in NYC with the same standard of living as in Boston, actual incomes fell short of what the study determined was required in Manhattan and Brooklyn. Actual 2015 median household incomes were $75,575 in Manhattan and $51,141 in Brooklyn, a difference of 16.9% and 25.2%, respectively.[31]

Per the COLI study, overall housing costs rose in Boston during 2016, increasing 5.9%, while housing costs fell in both Manhattan and Brooklyn, by 1.5% and 1.4%, respectively. But the subcategory of apartment rents rose in all three areas, by 17.8% in Boston, 5.8% in Manhattan, and 12.2% in Brooklyn.

Another quarterly index, the Housing Opportunity Index (HOI), showed that during the fourth quarter of 2016 the New York metropolitan area was the seventeenth least affordable area to buy a home, up from ninth in the fourth quarter of 2015. This follows eighteen straight quarters between 2008 and 2012 when the New York area ranked as least affordable. The survey found that 35.4% of owner-occupied housing in the metropolitan area was affordable to households earning the median income. Although it was one of the least affordable buyer's markets, substantially more homes were affordable than in recent years, such as in the fourth quarter of 2006, when only 5.1% of homes were considered affordable. The fourth quarter of 2016 was also more affordable as compared to the same quarter of the previous year, when 22.0% of homes were considered affordable.[32]

Every year the National Low Income Housing Coalition (NLIHC) issues a study to determine whether rents are affordable to the lowest wage earners. The 2017 study has not been released as of the publication of this report, but per their methodology,[33] in order to afford a two-bedroom apartment at the City's Fair Market Rent, ($1,637 a month, as determined by the U.S. Department of Housing and Urban Development[34]) a full-time worker must earn $31.48 per hour, or $65,480 a year. Alternately, those who earn minimum wage would have to work 114-120 hours a week (or two persons would each have to work 57-60 hours a week) to be able to afford a two-bedroom unit priced at Fair Market Rent. Because the Fair Market Rent rose by $66, but the minimum wage increased by $1.50-$2.00 an hour in 2017, the amount of annual wages necessary to afford this apartment went up by 4.2%, but the number of hours working at minimum wage in order to afford this apartment went down by 10.7%-14.6%.

The Community Service Society's "The Unheard Third 2016" interviewed 1,079 low-income residents (those making under 200% of the federal poverty level (FPL)) in the summer of 2016.[35] Among their findings, they found that 17% of low-income residents had fallen behind on their rent or mortgage in the past year, and 10% had been threatened with foreclosure or eviction. This compares to 24% of last year's respondents who had fallen behind on their rent or mortgage, and 10% who had been threatened with eviction or foreclosure.

In addition, 14% of the lower-income respondents to "The Unheard Third" reported losing their job; 17% reported having their hours, wages, or tips reduced; 12% moved in with other people due to financial problems; and 13% had a utility turned off. The proportion of respondents who had their hours reduced, moved in with others, or had a utility turned off dropped two percentage points from the previous year, while the number who had lost their job fell eight percentage points. The survey also found that the share of low-income respondents with three or more hardships declined between 2015 and 2016, dropping from 37% to 34% for "poor" respondents (those earning up to 100% of the FPL) and from 35% to 27% for "near poor" respondents (those earning between 101% and 200% of the FPL).

And among a small sample (70 respondents) of low-income rent stabilized tenants responding to "The Unheard Third," the proportion who had fallen behind in their rent fell from 30% in 2015 to 20% in 2016, while the number who moved in with others fell from 21% to 13%, the number who lost their job fell from

24% to 16%, the number who moved in with others fell from 21% to 13%, and the number who had a utility turned off fell from 17% to 7%. There was a slight uptick in rent stabilized respondents who had been threatened with eviction, which rose from 9% to 10%, and a rise in the number of people who moved in with others, rising from 17% to 21%.

Real Property Tax Credit

For the third consecutive year, a tax credit for NYC renters, the "Enhanced Real Property Tax Credit for Homeowners and Renters," offers a maximum tax credit of $500 to NYC residents with household incomes of less than $200,000 a year.[36] The amount of this credit depends on both income level and the amount of rent paid. For instance, a tenant with a household income of $50,000 a year, who pays $1,250 in rent (30% of their income), would receive a tax credit of $16.31. But a tenant making $50,000 a year and paying $2,083 in rent (50% of their income), would receive a credit of $87.19. A higher income household, earning $100,000 a year, would need a rent in excess of $2,646 (31.7% of their income) before they could receive any tax credit.[37]

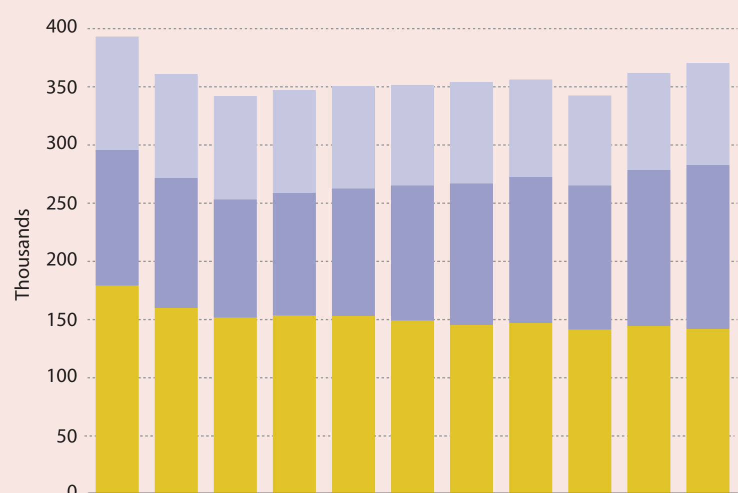
Cash Assistance Programs

For the seventh time in the past eight years, the average number of cash assistance cases in NYC increased, rising by 2.4% in 2016 to reach 370,474 cases.[38] This follows an increase of 5.7% in the prior year (see graph on this page). Also reported by the NYC Human Resources Administration is the number of unduplicated recipients of cash assistance during 2016. Over the course of the year, a total of 605,559 persons received a cash assistance payment, an increase of 1.4%. This figure includes nearly 110,000 cases of emergency assistance, an almost 10-fold increase from 2015. This may indicate that while cash assistance levels are increasing, there is a shift from on-going monthly assistance to one-time emergency grants (known as "one shots") to pay for expense like rent arrears.[39] And despite generally increasing in the past few years, over the last two decades the number of cash assistance recipients has dropped significantly, falling 67.8% since March 1995, when the City's welfare reform initiative began and 1,161,000 recipients were on the rolls.

The number of applications for cash assistance also rose in 2016, increasing 1.3% over 2015 levels, including an increase of 0.9% in denied applications, and 1.5% in approved applications.[40] At the same time, the number of reported job placements among cash assistance recipients increased during 2016, rising by 4.2%, or 1,906 jobs.[41]

Cash Assistance Programs, 2006-2016, in Thousands

Cash Assistance Caseloads Rise 2%



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
FAP	179.2	160.2	151.7	153.3	152.8	148.9	145.2	147.0	141.3	144.2	141.8
SNA	116.7	111.5	101.4	105.5	109.9	116.1	121.9	125.5	124.0	134.2	140.9
FAP-SNA	97.3	89.4	88.6	88.1	87.7	86.7	86.9	83.6	77.0	83.5	87.7

Source: NYC Human Resources Administration
Note: FAP-SNA refers to welfare recipients who were converted from the Family Assistance Program (FAP) to the Safety Net Assistance Program (SNA)

The number of Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps) recipients decreased for the third consecutive year, by 0.7% in 2016, to an average of 1.70 million. Rates decreased in spite of changes to the program in July of 2016 which raised the eligibility level from 130% of the federal poverty level to 150%.[42] Despite this drop, SNAP levels have more than doubled in recent years, rising from an average of just over 800,000 in the early 2000s, to just over 1.7 million today.[43] The number of Medicaid enrollees also fell, decreasing 11.6% during 2016, to 2.1 million recipients.[44]

Housing Policy

NYC receives funding for a variety of housing programs from the U.S. Department of Housing and Urban Development (HUD). NYC was granted $704.9 million from federally funded programs in FY 2016.[45] These programs include $151.5 million in a Community Development Block Grant (CDBG), which funds housing and community development programs; $54.2 million for the HOME Investment Partnership Program, which helps preserve existing housing stock; $13.6 million for the Emergency Shelter Grant (ESG) program, which is used for homeless programs; $43.8 million for Housing Opportunities for Persons with AIDS (HOPWA); and a competitive Continuum of Care (CoC) grant of $122.0 million for homeless programs. NYCHA will also receive $319.9 million for its capital modernization program.

As compared to FY 2015, federal funding in 2016 increased by 3.8% in nominal terms and 3.2% in inflation-adjusted terms. The largest source of funding, for NYCHA capital projects, rose by 3.2% in real terms. The greatest proportional increase was in CoC funding, which increased a real 15.6%, and the greatest proportional decrease was in HOPWA funding, which declined by 7.5% in real terms.

Homelessness & Evictions

Homelessness

Homelessness in the City, based on data from the NYC Department of Homeless Services (DHS), increased for the eighth consecutive year during 2016, rising by 2.8%.[46] Each night, an average of 58,770 persons stayed in DHS shelters during 2016, up 1,612 persons from a year earlier, and up considerably from the average of 20,000-25,000 found in the 1990s (see graph on next page and Appendix F.7). The subcategory of the number of families sheltered each day also rose, by an average of 6.5%.[47] The figure for families includes the number of families with children sheltered each night, which rose 6.1% during 2016 (to reach an average of 12,606), and the number of adult families sheltered each night, which increased 9.0% over the year (to an average of 2,347). The number of single adults sheltered also rose during 2016, increasing 9.4%, to an average of 13,148 persons.

While overall homeless rates increased 2.8% during 2016, looking at the data on a quarterly level shows that rates increased at a faster pace as the year went on. Rates rose by 0.3%, 2.2%, 4.3%, and 4.6% in the first, second, third and fourth quarters respectively, as compared to the same quarters of the previous year. On a monthly basis, the greatest increase was seen in November of 2016, when 2,725 more persons stayed in City shelters than the previous November, an increase of 4.7%.

Permanent housing placements for families with children increased for the fourth consecutive year during 2016, rising from 8,352 to 8,690, a 4.0% increase. However, placements fell for both adult families and single adults. For adult families, placements fell from 668 in 2015 to 572 in 2016, a 14.4% decline. Permanent housing placements for single adults fell from 8,525 in 2015 to 8,370 in 2016, a 1.8% decline.

Other homeless indicators include the average amount of time spent in temporary housing, which increased for both adult families and single adults, but fell for families with children for the first time since 2010. For families with children, the average amount of time spent in temporary housing fell 18 days (to 417 days), but went up by 10 days for adult families (to 561 days) and by 28 days for single adults (to 370 days).

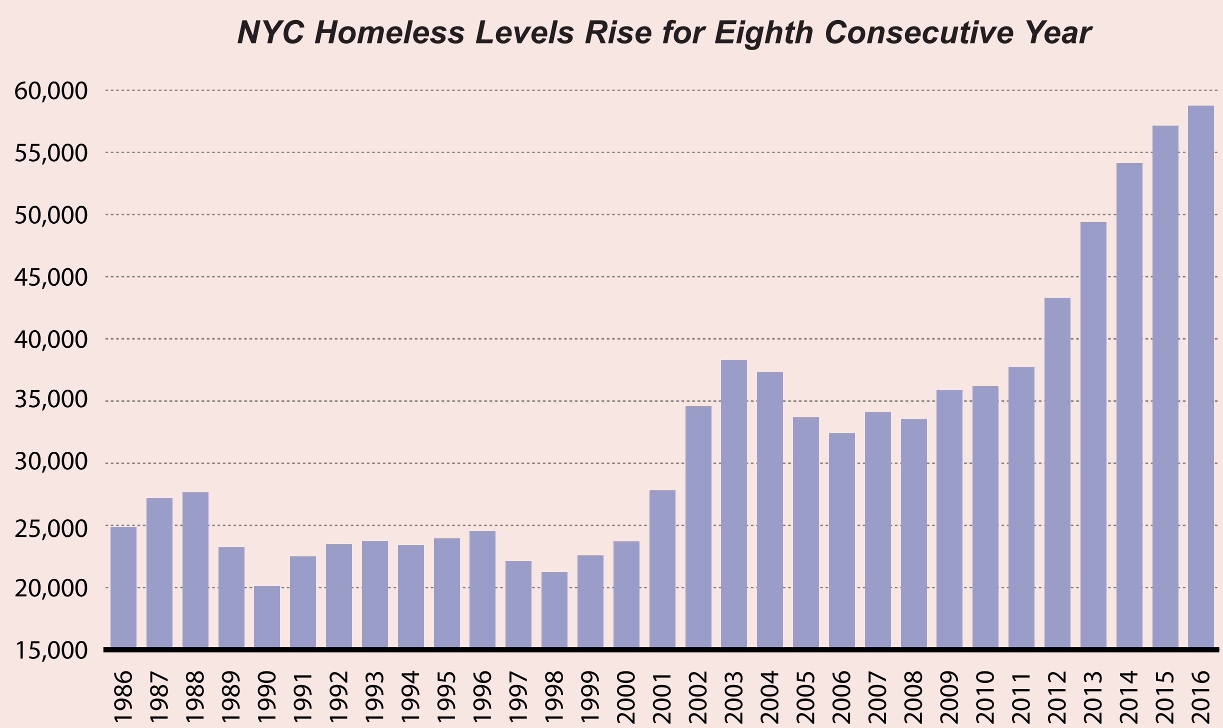
While some groups were spending more time in temporary housing during 2016, all groups placed in permanent housing were returning to the system in lower numbers, with 8.0% of families with children returning to DHS within one year (down from 14.5% the prior year), 10.4% of adult families returning (down from 11.5% in the prior year), and 17.3% of single adults returning (down from 21.1% in the prior year).

Data from the U.S. Department of Housing and Urban Development, which asks municipalities to submit homeless counts on a single day in January of each year, shows that NYC has the largest number of homeless people of any city in the nation. NYC reported a total of 73,523 sheltered and unsheltered persons in January of 2016, followed by Los Angeles, with 43,854 persons, and Seattle, with 10,730. In NYC, rates fell 2.4% from January 2015 to January 2016, and at the national level, homeless rates declined by 2.6%.[48]

In February of 2017, the de Blasio Administration released "Turning the Tide of Homelessness in New York City," detailing a comprehensive plan to combat the rise in homelessness, including efforts already underway.[49] Per this report, 6,618 households received a Living in Communities (LINC) subsidy between July 2014 and December 2016. LINC provides subsidies to working families, families with multiple shelter stays, and domestic violence survivors (among others), each group with their own requirements for how much participants pay towards rent and how long the subsidy lasts. Recipients generally pay 30% of their income towards rent. The City also provided 3,272 households at risk of eviction with a City Family Eviction Prevention Supplement (CityFEPS) during this same time period, to help keep these households in place and out of the shelter system. CityFEPS can pay up to the entire amount of rent for recipients and has no time limits. Other programs, such as NYCHA placements and Section 8, helped an additional 8,763 households leave, or avoid, shelter.

The Mayor's report also details that an increasing number of households are receiving emergency rent assistance. In 2014, 48,600 households received an average grant of $3,059 to pay rent arrears. This number increased to 54,700 households (at an average of $3,442) in 2015, and 58,100 households (at an average

Average Homeless Shelter Census, NYC, 1986-2016



Source: NYC Dept. of Homeless Services

of $3,688) in 2016. The report also details plans to end the use of cluster apartments and commercial hotels (which house approximately 30% of the homeless population) and replace them with 90 new shelters over the next five years, in addition to converting some cluster apartments into permanent housing.

Housing Court

For the fifth consecutive year, non-payment filings in Housing Court decreased, falling 0.4%, to 202,300.[50] At the same time, the number of non-payment cases resulting in an actual court appearance ("calendared") also declined, by 5.4%. Because the number of calendared cases fell at a greater rate than the number of filings, the proportion of non-payment cases which resulted in an appearance decreased by 2.7 percentage points. At 52.1%, this proportion is the lowest level seen since 2009 (see graph on this page and Appendix F.6). For comparison, during the mid-to-late 1980s, an average of 27.1% of non-payment filings were calendared.

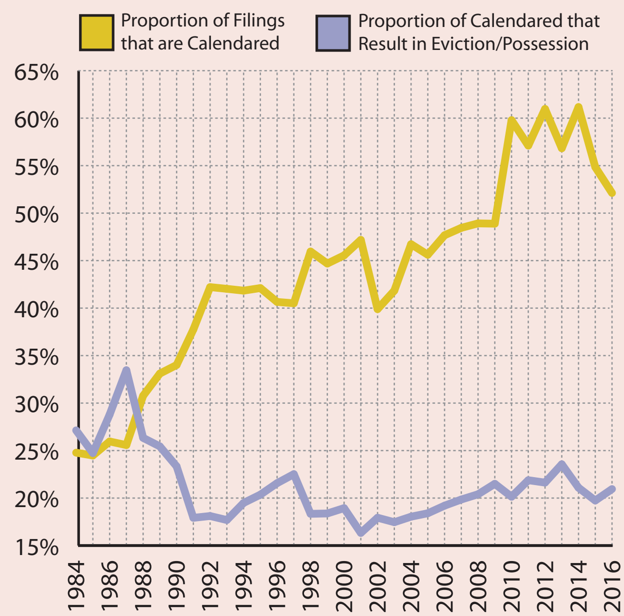
More than 19% of non-payment filings and 21% of calendared cases are against tenants of public housing (NYCHA). If these cases were taken out of the analysis, filings against other tenants would have fallen 1.6% between 2015 an 2016, and calendared cases would have fallen by 11.2%. And the overall percentage of calendared cases to non-payment filings in 2016 would have been 50.7%, 1.4 percentage points lower than the overall proportion.

Evictions for all tenants rose slightly during 2016, by 0.5%, following a steep decline of 18.1% in the prior year, and 6.9% in 2014.[51] The proportion of non-payment proceedings Citywide that resulted in an eviction/possession ruling in 2016 increased by 1.2 percentage points, rising from 19.7% to 21.0%. This translates to 22,089 court decisions ruling for the tenant's eviction from a total of 105,431 non-payment proceedings calendared (see graph on this page).

In February of 2017, the de Blasio Administration announced that all households under 200% of the federal poverty level will be eligible for free legal representation in Housing Court. An additional $93 million will be added to programs in place since 2014, for a total funding level of $155 million a year by FY 2022. It is estimated that since January of 2014, 34,000 households have received legal help and the number of tenants in Housing Court with legal representation has risen from 1% to 27%.[52]

Housing Court Statistics, 1984-2016

Proportion of Non-Payment Cases Calendared Falls and Proportion of Evictions Rises



Source: Civil Court of NYC and NYC Dept. of Investigations

Summary

In 2016, some economic indicators for NYC were positive, including rising employment levels, declining unemployment, increased Gross City Product, and a slowing of Housing Court non-payment filings and SNAP recipients. However, homelessness continues to increase, as do cash assistance caseloads, and wages were stagnant.

Looking forward, both the NYC Comptroller's office and the NYC Office of Management and Budget have made predictions about the future health of the NYC economy. Among the predictions, they estimate that in 2017 the City will gain anywhere between 55,000 and 61,000 jobs, unemployment will fall to

5.0%, GCP growth will potentially grow anywhere from 1.8% to 2.4%, and wages will rise from 2.9% to 3.2%. They also see the economy as strong, but slowing, during the next few years, with slightly increasing unemployment rates (to as high as 6.1% in 2020), more moderate job gains and GCP growth, and steady wage rate growth.[53] ❒

Endnotes

1. This data is obtained from the Civil Court of the City of New York, which cannot provide exact "quarterly" data. The Court has 13 terms in a year, each a little less than a month long. This data is for terms 10-13, which is from approximately the middle of September through the end of the year. It is compared to the same period of the prior year.

2. Data from the NYC Comptroller's Office as of March, 2017. GCP figures are adjusted annually by the NYC Comptroller's Office. The figures in this report are the latest available estimate from that office, based on inflation adjusted 2009 chained dollars.

3. U.S. Bureau of Economic Analysis. http://www.bea.gov/national/index.htm#gdp; Data accessed March, 2017.

4. U.S. Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2017.

5. NYS Department of Labor; http://www.labor.state.ny.us; Data accessed March 2017. Data is revised annually and may not match data reported in prior years.

6. U.S. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2017.

7. New York State Department of Labor; http://www.labor.state.ny.us; Data accessed March 2017. Data is revised annually and may not match data reported in prior years.

8. The NYC labor force participation rate and employment/population ratio are derived from unpublished data from the U.S. Bureau of Labor Statistics, obtained from the NYC Comptroller's Office. Note that prior years' data are annually revised, and may differ from figures reported in prior years' *Income and Affordability Studies*.

9. U.S. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2017.

10. New York State Department of Labor; http://www.labor.state.ny.us; Data accessed March 2017.

11. U.S. Bureau of Labor Statistics; http://www.bls.gov; Data accessed March, 2017.

12. Data obtained from The Administrative Office of the U.S. Courts in March of 2017. http://www.uscourts.gov/Statistics/BankruptcyStatistics.aspx

13. Poverty statistics were researched on the U.S. Census Bureau's Factfinder Site: http://factfinder2.census.gov in February of 2017. The U.S. Census Bureau reports that in 2015 the weighted average poverty threshold for a one-person households is $12,082; $15,391 for a two-person household; $18,871 for a three-person household; $24,257 for a four-person household; $28,741 for a five-person household; $32,542 for a six-person household; $36,998 for a seven-person household; $41,029 for an eight-person household; and $49,177 for a nine-person household.

14. U.S. Census Bureau, https://www.census.gov/hhes/povmeas/methodology/supplemental/overview.html

15. "The CEO Poverty Measure, 2005-2014." April, 2016. NYC Center for Economic Opportunity. Note that the CEO poverty rates are adjusted periodically and may not match figures found in prior reports.

16. The *New York City Housing and Vacancy Survey (HVS)* is sponsored by the NYC Department of Housing Preservation and Development (HPD) and conducted by the U.S. Census Bureau. All HVS data reported herein is from tables presented on the New York City Housing and Vacancy Survey website: https://www.census.gov/housing/nychvs/.

17. State law requires the City to formally extend rent stabilization every three years, after publication of vacancy rates from the triennial *Housing and Vacancy Survey*. NYC Introductory Number 685 extends rent stabilization until April 1, 2018.

18. Total household income in the HVS includes wages, salaries, and tips; self-employment income; interest dividends; pensions; and other transfers and in-kind payments.

19. The HUD benchmark for housing affordability is a 30% rent-to-income ratio. Source: Basic Laws on Housing and Community Development, Subcommittee on Housing and Community Development of the Committee on Banking Finance and Urban Affairs, revised through December 31, 1994, Section 3.(a)(2).

20. 2015 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov

21. U.S. Bureau of Labor Statistics; http://www.bls.gov; Data accessed February, 2017.

22. Press Release, Mayor's Office. "Mayor Bloomberg and NYCHA Chairman Hernandez Announce that Section 8 Voucher List Will Open For First Time in Twelve Years," January 29, 2007.

23. Preliminary FY 2017 Mayor's Management Report, NYC Housing Authority section.

24. Eligibility guidelines per the NYC Housing Preservation and Development website: http://www1.nyc.gov/site/hpd/section-8/applicants-eligibility.page.

25. DTR Section 8 General Program Indicators, HPD website: http://www1.nyc.gov/assets/hpd/downloads/pdf/hpd-section-8-program-statistics.pdf (dated 12/5/2016).

26. A typical bill was calculated using rate schedules published on the Con Edison website at http://www.coned.com/rates. The rates used were for Service Classification #1, Residential and Religious, at a usage rate of 300kWh, per averages stated by a representative from ConEd.

27. U.S. Energy Information Administration: Electric Sales, Revenue, and Average Price (2015 Tables T6 and T5.a). http://www.eia.gov/electricity/sales_revenue_price/.

28. Con Edison Press Release. "Con Edison Files Electric & Gas Rate Proposals for 2017." January 29, 2016.

29. ACCRA Cost of Living Index Press Releases. First, Second, and Third Quarters of 2016. The Council for Community and Economic Research. http://www.coli.org/media

30. ACCRA cost of living report. The Council for Community and Economic Research. https://store.coli.org/compare.asp

31. 2015 American Community Survey, U.S. Census Bureau. http://factfinder2.census.gov. American Community Service data does not specifically identify rent stabilized units.

32. National Association of Home Builders. Various tables on website: http://www.nahb.org/en/research/housing-economics/housing-indexes/housing-opportunity-index.aspx; Affordability defined as no more than 28% of gross income spent on housing costs. Data accessed March 2017.

33. The methodology that the National Low Income Housing Coalition uses is at: http://nlihc.org/sites/default/files/oor/OOR_2016.pdf

34. Fair Market Rents are published annually by the U.S. Department of Housing and Urban Development. http://www.huduser.org/datasets/fmr.html

35. "Policies Matter: Hardships Decline for Low-Income New Yorkers in 2016." The Unheard Third 2016. Community Service Society, January 2017. Unpublished data from the survey was provided directly from the Community Service Society to enable direct comparison of 2015 and 2016 data.

36. New York State Department of Taxation and Finance Form NYC-208 (2016).

37. Calculations based on New York State Department of Taxation and Finance Form NYC-208 (2016).

38. NYC Human Resources Administration. HRA Charts (Cash Assistance Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts

39. NYC Human Resources Administration. HRA Monthly Fact Sheets (December 2016): http://www1.nyc.gov/site/hra/about/facts.page#caseloads

40. Data directly from the NYS Office of Temporary and Disability Assistance, March, 2017.

41. NYC Human Resources Administration. HRA Charts (Assisted Entries to Employment): http://www1.nyc.gov/site/hra/about/facts.page#charts

42. "Food stamp recipients increasing in New York City, reversing long trend," by Brenan Cheny. *Politico New York*, October 4, 2016.

43. NYC Human Resources Administration. HRA Charts (SNAP Recipients): http://www1.nyc.gov/site/hra/about/facts.page#charts

44. NYC Human Resources Administration. HRA Charts (HRA Administered Medicaid Enrollees): http://www1.nyc.gov/site/hra/about/facts.page#charts

45. U.S. Department of Housing and Urban Development.

46. Data from the Policy & Planning Office of the NYC Department of Homeless Services (DHS), DHS daily reports, and monthly Citywide Performance Reporting reports. Note that the NYC Department of Housing Preservation and Development, the NYC Department of Youth and Community Development, and the NYC Human Resources Administration also operate emergency shelters, which house approximately 5,000 persons per night.

47. The NYC Department of Homeless Services (DHS) now splits families into two groups – families with children and adult families (generally spouses and domestic partners). Approximately 85% of "families" are families with children.

48. "The 2016 Annual Homeless Assessment Report (AHAR) to Congress: Part 1, Point-in-Time Estimates of Homelessness." U.S. Department of Housing and Urban Development, November 2016.

49. "Turning the Tide of Homelessness in New York City," Mayor's Office, February, 2017.

50. Civil Court of the City of New York data.

51. Eviction data from the NYC Department of Investigation, Bureau of Auditors data.

52. Press Release, Mayor's Office. "State of the City: Mayor de Blasio and Speaker Mark-Viverito Rally Around Universal Access to Free Legal Services for Tenants Facing Eviction in Housing Court," February 12, 2017.

53. "Comments on New York City's Preliminary Budget for FY 20187 and Financial Plan for Fiscal Years 2017-2021." NYC Comptroller's Office, March 2, 2017.

Housing Supply

2017 Housing Supply Report .... pg. 71

Changes to the Rent Stabilized Housing Stock in New York City in 2016...................pg. 83

2017 Housing Supply Report

What's New

- Permits for 16,269 new dwelling units were issued in NYC in 2016, a 71.2% decrease over the prior year and the first decrease since 2009.
- There was a 31.3% decrease in the number of co-op or condo units accepted in 2016, to 282 plans containing 8,671 units.
- The number of housing units newly receiving 421-a exemptions decreased 17.8% in 2016, to 4,493.
- The number of housing units newly receiving J-51 abatements and exemptions decreased 22.5% in 2016, to 34,311.
- The number of new housing units completed in 2016 increased 61.9% over the prior year, to 23,247.
- Demolitions were down in 2016, decreasing by 2.0%, to 1,849 buildings.
- City-sponsored residential construction spurred 23,408 new housing starts in FY 2016, 74% of which were rehabilitations.
- The City-owned *in rem* housing stock declined 70.2% during FY 2016, to 125 units.

Introduction

Section 26-510(b) of the Rent Stabilization Law requires the Rent Guidelines Board (RGB) to consider the "over-all supply of housing accommodations and over all vacancy rates" and "such other data as may be made available to it." To assist the Board in meeting this obligation, the RGB research staff produces an annual *Housing Supply Report*, which reports on current conditions in the housing market, including vacancy and overcrowding rates, new housing production, co-op and condo conversions, demolitions, housing created through tax incentives, and government-sponsored housing starts.

Overview

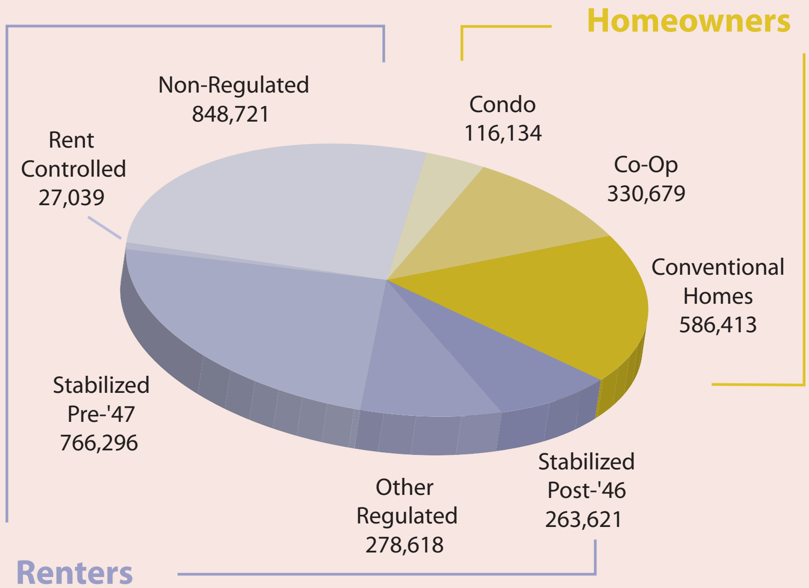
Between 2015 and 2016 there was a 71.2% decrease in the number of permits issued for new dwelling units, falling to 16,269, the first decrease since 2009. The number of units newly accepted in co-op and condo plans also fell, by 31.3%, with the number of plans falling by 3.1%. The number of units newly receiving 421-a benefits fell for the fifth consecutive year, decreasing 17.8% from 2015 levels. Rehabilitation of residential units under the J-51 tax abatement and exemption program also declined during 2016, down 22.5%. The number of completed housing units rose during 2016, increasing 61.9% to 23,247 units, and the number of demolitions fell by 2.0% during 2016, following three years of increase. As of 2014, a tight housing market also remains in New York City (NYC), with a Citywide rental vacancy rate of 3.45% and 12.2% of all rental housing considered overcrowded.

New York City's Housing Inventory

Most New Yorkers live in multi-family rental housing rather than owning homes. According to the *2014 Housing and Vacancy Survey (HVS)*,[1] rental units comprise 64.2% of NYC's available housing stock, 76% more than the proportion of rental units in the nation as a whole.[2] NYC in 2014 had a total of 3,400,093 housing units, the largest housing stock since the first *HVS* was conducted in 1965. NYC's housing is not only distinguished by the size of its rental housing stock, but unlike most cities, the bulk of rental units are rent regulated. Of the 2,184,297 occupied and vacant rental units reported in the most recent *HVS*, 38.9% were unregulated, or "free market." The remaining units were rent regulated, including pre-war (pre-47) rent stabilized (35.1%), post-war (post-46) rent stabilized (12.1%), rent controlled (1.2%), or regulated under various other[3] types of programs (12.8%). (See pie chart on the following page.)

Number of Renter and Owner Units

New York City's Housing Stock Is Predominantly Renter-Occupied



Source: U.S. Bureau of the Census, *2014 New York City Housing and Vacancy Survey*
Note: Above figures exclude vacant units that are not available for sale or rent.

The *HVS* also indicated that NYC's housing market remains tight, finding a Citywide vacancy rate of 3.45% in 2014, below the 5% threshold required for rent regulation to continue under State law. This translates into the availability of just 75,458 vacant units out of more than 2.1 million rental units Citywide. The vacancy rate ranged from a low of 2.69% in Queens to a high of 4.07% in Manhattan. The Brooklyn vacancy rate was 3.06%, and the Bronx rate was 3.77%. The sample size in Staten Island was too small to permit calculation of an accurate vacancy rate.[4]

Vacancy rates also varied by rent regulation status. Both post-war and pre-war stabilized units had low vacancy rates, at 1.63% and 2.29%, respectively. Stabilized vacancy rates on the whole were 2.12%, while private, non-regulated units were vacant at a 5.60% rate.

The frequency of crowding also varied by rent regulation status. Overall, 12.2% of all rental housing in NYC in 2014 was overcrowded (defined as more than one person per room, on average) and 4.7% was severely overcrowded (defined as an average of more than 1.5 persons per room). Pre-war stabilized housing was most crowded, with 15.0% of units overcrowded and 6.1% severely overcrowded, while 14.6% of post-war units were overcrowded, and 5.5% were severely overcrowded. Overall, 14.9% of rent stabilized housing was overcrowded and 6.0% was severely overcrowded. In non-regulated housing, 11.3% was overcrowded and 4.2% severely overcrowded.

Changes in the Housing Inventory

Housing Permits

Housing supply grows in a variety of ways: new construction, substantial rehabilitation of deteriorated buildings, and conversions from non-residential buildings into residential use. The number of permits authorized for new construction is a measure of how many new dwelling units will be completed and ready for occupancy, typically within three years, depending on the type of housing structure.

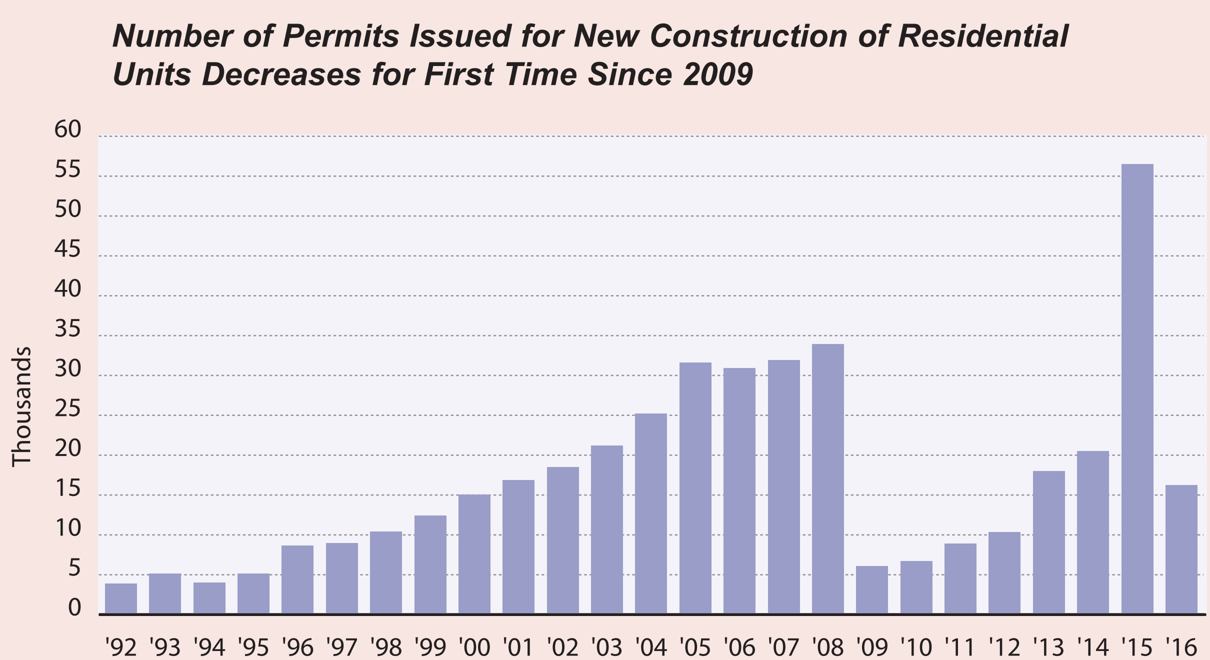
In 2016, permits newly issued for housing units fell for the first time since 2009. Following a large increase of 176.0% in 2015 (to 56,528 units), permits were issued in 2016 for 16,269 units of new housing, a decrease of 71.2% from 2015.[5] In 2015, permit applications rose dramatically because the 421-a tax abatement and exemption program was set to expire and developers rushed to file permits before the deadline passed. Permit levels in 2016, while much lower than those during 2015, are comparable to levels in 2013 and 2014 (see graph on this page).

Permits fell in 2016 by double digits in every borough except Staten Island, where they rose 66.5%, to 901 units. (See Appendix G.1 and the map on the following page.) Permits in Brooklyn fell by the greatest proportion, declining 82.7%, to 4,503 units. Newly issued permits also decreased in Queens, by 77.6% (to 2,838 units); in Manhattan, by 68.1% (to 4,024 units); and by 14.5% in the Bronx (to 4,003 units).

On a quarterly basis, permits fell in three of the four quarters of 2016, as compared to the same quarters of the prior year. While permits rose by 23.0% in the third quarter of 2016, they fell by 65.1% in the first quarter, 89.4% in the second quarter, and 50.9% in the fourth quarter. Permits for new housing units fell not only because the number of buildings being newly constructed fell, but because the size of these buildings fell significantly. While the number of buildings receiving permits fell 22.3% between 2015 and 2016, the average building size fell from 28.3 units in 2015, to 10.5 in 2016, a 62.9% drop. In the second quarter of 2016, which experienced the greatest proportional drop in permits issued, average building size fell from 45.6 units to 9.2 units. For historical permit information by quarter, see Appendix G.3.

Permits issued Citywide in the first quarter of 2017 were up as compared to the same period of the prior year, with increases in every borough. The number of permits issued in NYC increased from 2,158 in the first quarter of 2016 to 6,343 during the first quarter of 2017, a 193.9% increase. Citywide figures were propelled upward by significant increases in permits issued in Queens, Brooklyn, and Manhattan, with increases of 289.7%, 335.1% and 400.3%, respectively. Permits issued also rose in the Bronx and Staten Island, but by lesser amounts (29.8% and 39.3%, respectively). While the number of permits issued during the first quarter of 2017 nearly tripled as compared with the first quarter of 2016, the number of buildings permitted increased by a lesser amount,

Units Issued New Housing Permits, 1992-2016, in Thousands

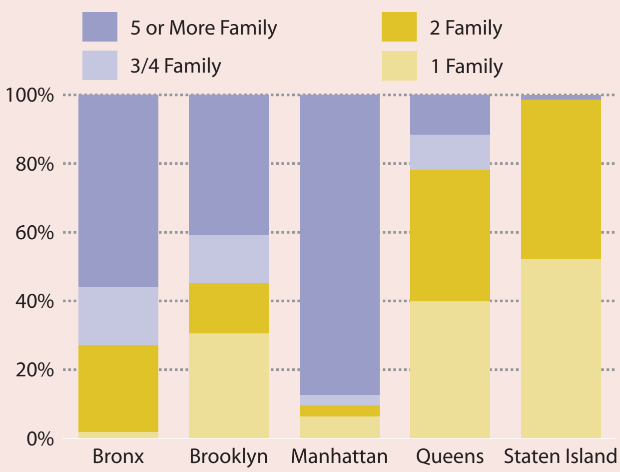


Source: U.S. Bureau of the Census, Manufacturing and Construction Division Building Permits Branch

Residential Building Permits, 2016

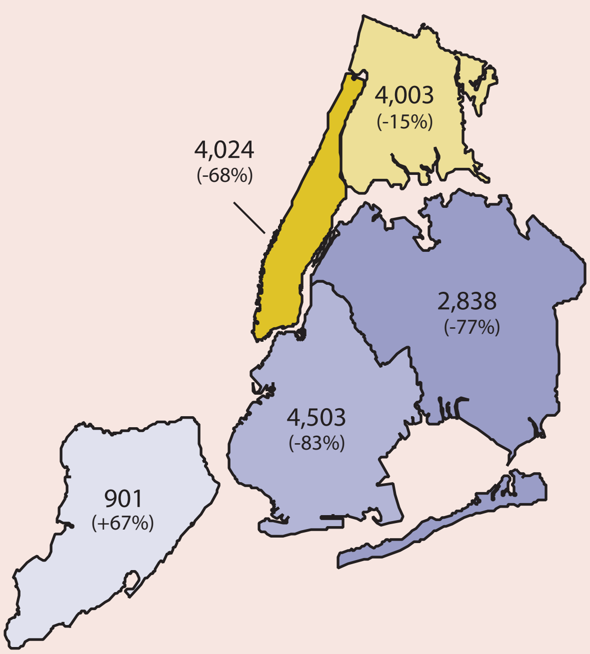
Permits by Building Size:

Most New Buildings in Manhattan are Five Family or More, in Staten Island One- and Two-Family Homes Predominate



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

Total Number of Permits Issued in 2016 and Percentage Change From 2015 by Borough



Source: U.S. Bureau of the Census, Manufacturing and Construction Division - Building Permits Branch

36%. This is because the average size of the buildings newly permitted more than doubled, rising from just over 7 units in 2016 to almost 16 units in 2017. Average building size rose in every borough except Staten Island, rising by the greatest proportion in Manhattan, where the average building size rose from 27 units in the first quarter of 2016 to 87 units in the first quarter of 2017. For historical permit information by quarter, see Appendix G.3.

Permit data can also be analyzed more deeply by looking at the reported size of the buildings applying for permits. In 2016, a total of 1,552 buildings received permits (containing a total of 16,269 housing units). Citywide, 36.1% of these buildings were single-family, 30.7% were two-family, 8.9% were three- or four-family structures, and 24.3% were buildings with five-or-more units. In 2016, 88.0% of all permits issued Citywide were for units in five-family or greater buildings (a total of 14,326 units), with the average five-family or greater building containing 38 units for the City as a whole, and 73 units in Manhattan (both large decreases from the prior year). As the graph on this page illustrates, almost all building permits in Manhattan were for the largest buildings, while in Staten Island and Queens virtually all permits were for either one- or two-family buildings. Building size was more evenly distributed in the Bronx and Brooklyn. (See Appendix G.2.)

Housing Completions

This report also examines the number of units completed in the City each year, indicative of what housing actually enters the market in a particular year. In 2016, an estimated 23,247 new housing units were completed, a 61.9% increase from 2015.[6] Completions were up in all boroughs, rising by the greatest proportion in Manhattan, which rose 131.1% (to 6,900 units). Completions also rose in Staten Island, up 126.1% (to 1,223 units); Brooklyn, up 71.8% (to 9,148 units); Queens, up 10.7% (to 3,444 units); and the Bronx, up 5.7% (to 2,532 units). Of the 23,247 units completed Citywide, 91.1% were in five-family or greater buildings, up from 87.4% in the prior year. The average size of completed buildings, by borough, ranged from 2.5 units in Staten Island, to 8.4

units in Queens; 16.0 units in the Bronx; 18.1 units in Brooklyn; and 97.2 units in Manhattan. (See Appendix G.4 for a historical breakdown.[7])

City-Sponsored Construction

Housing is also created and preserved through publicly funded sources, including programs sponsored by the NYC Department of Housing Preservation and Development (HPD) and the NYC Housing Development Corporation (HDC). HPD's Office of Development operates a number of programs that develop affordable housing for low- and moderate-income New Yorkers. Programs include the Extremely Low and Low-Income Affordability Program, which is HPD's multi-family new construction housing initiative, financed through both public and private sources; the Affordable Neighborhood Cooperative Program, which provides very low interest loans for the rehabilitation of buildings into affordable cooperatives for low and moderate-income households; and the Multifamily Housing Rehabilitation Loan Program, which provides rehabilitation loans at a maximum 3% interest for the replacement of major building systems. HDC operates some of the same programs as HPD, in addition to programs such as the Mitchell-Lama Preservation Program, which offers loans to Mitchell-Lama owners in order to make needed capital improvements, and the Preservation Program, which provides tax-exempt bond financing to affordable housing developments with at least 50 units.

HPD- and HDC-sponsored programs spurred a total of 23,408 housing starts[8] in Fiscal Year (FY) 2016, a 15.2% increase over the prior FY.[9] Of these starts, 17,311 (74.0%) were preservation, and 6,097 (26.0%) were new construction. HPD and HDC collectively expect to start an additional 20,000 units of new construction and preservation in FY 2017. During the first nine months of FY 2017 there were 10,264 starts by HPD and HDC, a decrease of 28.3% over the prior FY.[10]

As part of Mayor de Blasio's ten-year, $41 billion plan to build and/or preserve 200,000 units of affordable housing, in March of 2016 the City Council modified the rules surrounding Mandatory Inclusionary Housing (MIH) to increase affordability requirements when rezoning allows additional residential density.[11] The new MIH requirements apply to any building with more than 10 units in these newly rezoned areas. The specific affordability requirements will be decided at the discretion of the City Council, which has four options to choose from.

According to the new guidelines, buildings in rezoned areas must include between 20%-30% affordable units, targeted at households making anywhere from 40%-115% of Area Median Income. Buildings with between 11 and 25 units have the option to pay into a fund to develop affordable housing off-site. In March of 2017, the de Blasio administration announced that one year after the approval of the MIH program, 11 developments had been approved, including one each in Queens and Brooklyn, four in Manhattan, and five in the Bronx, totalling 5,976 units. The units include 4,724 affordable units, of which approximately 1,700 will be permanently affordable.[12]

In January of 2017, the de Blasio administration reported that the City had financed 62,506 units of affordable housing since the start of the Mayor's tenure, 67% preservation and 33% new construction. By borough, 31.4% of the starts were located in Manhattan, with 28.9% in Brooklyn, 28.8% in the Bronx, 7.7% in Queens, and 3.2% in Staten Island. By affordability level, 14.2% of the starts were aimed at extremely low-income households, 13.4% at very low-income households, 51.6% at low-income households, 6.0% at moderate-income households, and 14.4% at middle-income households. Just over 9,000 of these units were dedicated to special needs populations (the homeless and seniors).[13]

Tax Incentive Programs

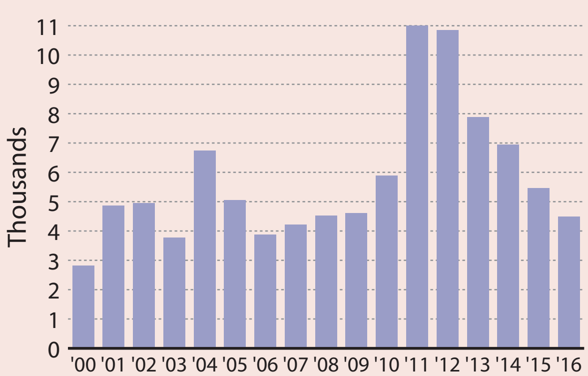
The City offers various tax incentive programs to promote the development of new housing. Various iterations of the 421-a tax exemption program, which began in the early 1970s, have allowed both renter- and owner-occupied multifamily properties to reduce their taxable assessed value for the duration of the benefit period. That is, owners were exempt from paying additional real estate taxes due to the increased value of the property resulting from the new construction. Rental apartments built with 421-a tax exemptions are currently subject to the provisions of the Rent Stabilization Laws during the exemption period. Initial rents are required to be approved by HPD and are then subject to increases established by the NYC Rent Guidelines Board.

A variety of factors are used to establish the level and period of 421-a benefits, and properties are also subject to construction guidelines. After expiring at the end of 2015, the latest iteration of the 421-a was reinstated in April of 2017 (retroactive to January of 2016) with a new name (Affordable New York Housing Program) and policy changes. Prior to 2016, the program, which is still newly certifying units, allowed eligible buildings to receive an exemption for 10 to 25 years depending on location, the number of units reserved for low- and moderate-income tenants, and whether they were located in a neighborhood preservation area. Longer exemption periods applied in northern Manhattan and boroughs outside Manhattan, and to projects that received governmental assistance or contained no fewer than 20% low-income units. For buildings within the Geographic Exclusion area (all of Manhattan, and parts of each of the other boroughs), affordable housing must be built on-site.[14]

Per the new Affordable New York program (effective January 1, 2016), rental developments with 300 units or more in Manhattan (south of 96th Street) and the Brooklyn and Queens waterfront will be eligible for a full property tax abatement for 35 years if the development creates one of three options for affordable rental units and meets newly established minimum construction wage requirements. The units must remain affordable for 40 years. For all other rental developments in NYC utilizing the tax benefit, the full tax exemption benefit period is 25 years, with a phasing out of benefits in years 26-35. For developers who use the benefit program to build co-op or condo housing, the building must contain no more than 35 units, be located outside of Manhattan, and have an assessed value of no more than $65,000 per unit. The benefit lasts for a total of 20 years, with a full exemption for the first 14.[15] The governor estimates that the new program, which expires in 2022, will create 2,500 new units of affordable housing a year.[16]

Units Newly Receiving 421-a Certificates, 2000-2016, in Thousands

18% Decrease in Units Newly Issued 421-a Certificates in 2016



Source: NYC Department of Housing Preservation and Development

In March of 2017, the NYC Independent Budget Office analyzed the then-proposed Affordable New York program and estimated that it would cost the City a total of $8.4 billion in lost tax revenue over the next ten years, an estimated $1.2 billion more than the cost had the now-expired program continued unchanged.[17]

Despite the expiration of the program at the end of 2015, 421-a units approved before the expiration continue to be newly certified as they reach completion. In 2016, the number of housing units newly certified decreased for the fifth consecutive year, down 17.8%, to 4,493 units (see graph on this page), including decreases in three of the five boroughs.[18] Newly certified units did increase in Brooklyn and the Bronx, rising 26.8% and 38.4%, respectively. But they fell 44.6% in Queens and 53.5% in Manhattan. In Staten Island, there were no newly certified units in 2016, down from one building with 11 units in 2015.

Citywide, the largest proportion of units newly certified in 2016 were in buildings located in Brooklyn, with 59.5% of the total units in the City. Manhattan had 18.7% of these units, Queens had 17.2%, the Bronx had 4.7%, and no units were in Staten Island. Because buildings in Manhattan are so much larger than buildings in the outer boroughs, nearly 19% of units were in Manhattan, despite having only 16 of the 156 buildings (10%) newly certified for 421-a benefits Citywide. (See Appendices G.7 and G.8.)

While the overall (both owner- and renter-occupied) number of newly certified 421-a units fell 17.8% between 2015 and 2016, the number of rental units in this program fell by a greater amount, 24.0%. While the number of rental units rose in the Bronx and Brooklyn, by 33.1% and 46.7%, respectively, they fell by 78.7% in Manhattan and 56.4% in Queens. The number of co-op and condo units newly certified in 2016 rose slightly, by 1.0%. Almost 70% of newly certified units in 2016 were rental units.

In Fiscal Year 2017, the 421-a program will cost the City $1.3 billion in lost tax revenue for all housing types, including 94,000 rental units, 56,000 co-op and condo units, and 21,000 1-3 family and mixed-use structures.[19]

Another program that has offered affordable housing, the New York State Mitchell-Lama program, has suffered from a loss of housing since "buyouts" from the program began in 1985.[20] Between 1955 and 1978, approximately 140,000 units of low- and middle-income housing were built in NYC through this tax-break and mortgage subsidy program. Since buyouts began in 1985, the City has lost approximately 47,000 units of Mitchell-Lama housing (including 4,000 units of hospital/university staff housing), although some has transitioned to rent stabilization. After averaging an annual loss of more than 5,000 units between 2004 and 2007, the pace has slowed considerably. Four developments bought out in 2016, with a total of 1,417 units. Half of these units were rentals, and converted to rent stabilization.[21]

Conversions and Subdivisions

New housing units are also brought onto the market through subdivisions and conversions. Subdivisions involve the division of existing residential space into an increased number of units. Non-residential spaces, such as offices or other commercial spaces, can also be converted for residential use. As chronicled in prior *Housing Supply Reports*, during the mid-2000s, with a tight housing market and high demand for luxury apartments, there were an increasing number of conversions in neighborhoods Citywide. Conversions occurred in facilities as diverse as hospitals, recording studios, power plants, office buildings, and churches.

One indicator of conversions is the number of non-residential buildings newly receiving J-51 benefits for conversion to residential use. In 2016, no formerly non-residential buildings received J-51 benefits for conversion to a co-op or condo. In the previous year, one building, with 39 units, converted with the aid of this program.[22]

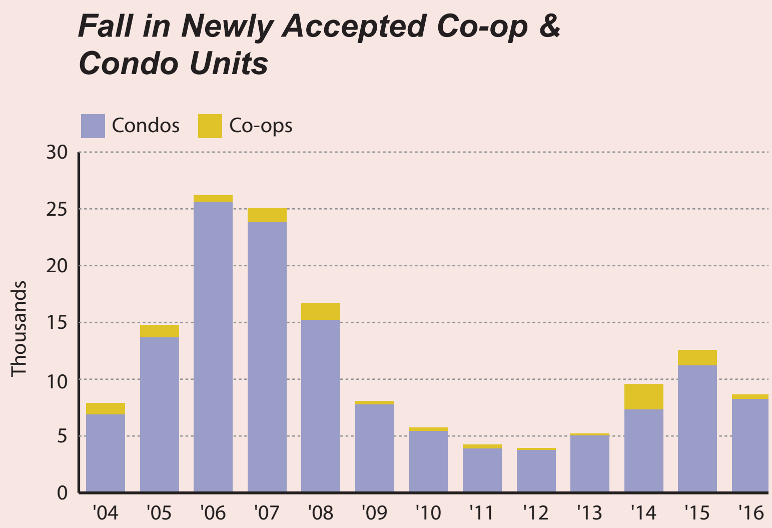
Conversion of single room occupancy (SRO) buildings also continued over the past year. SRO owners may convert SRO housing to other uses after obtaining a "Certificate of No Harassment" from HPD. Following an increase of 52.8% in 2015, the number of approved certificates fell slightly, from 165 in 2015 to 162 in 2016, a decrease of 1.8%.[23]

Efforts are also underway to ensure that SROs are used for permanent housing rather than as transient hotels. As of May 1, 2011, laws were newly passed strengthening the City's ability to crack down on housing being used illegally for transient occupancy. Transient occupancy is now clearly defined as stays of fewer than 30 days, and between May of 2011 and April of 2012 1,820 violations (ranging from $800 to $2,000) were issued to illegal hotel operators (including private apartments, hostels, and SROs).[24] More than 7,500 violations have been issued since April of 2012 (including more than 1,600 between May, 2016 and April, 2017).[25]

Governor Cuomo signed a bill in October of 2016 that increased the fine for illegally advertising short-term rentals to as much as $7,500.[26] As reported in May of 2017, 16 buildings had received a total of 139 violations under the new law, including 104 first violations (at $1,000 each) and 35 second violations (at $5,000 each). The bulk of the violations were imposed on one owner (with three upper Manhattan SRO buildings), a total of 89 first and second violations, equalling $234,000.[27]

A report released in June of 2016 by Housing Conservation Coordinators and MFY Legal Services analyzed Airbnb listings from 2015 to ascertain whether short-term rentals affect the supply of housing in NYC.[28] The report focuses on what they call "impact listings," those listings that are for entire homes or apartments; are booked for fewer than thirty days and more than once per month; and appear to be listed for commercial purposes (by hosts with multiple units for

New Co-op and Condo Units, 2004-2016



Source: NYS Attorney General's Office
NOTE: 2012-2015 data updated by the NYS Attorney General's Office (see Endnote 30)

at least three months of the year, or with single units, but for more than six months of the year). Of the more than 51,000 unique Airbnb listings during 2015, the study identified 8,058 impact listings, more than 90% of which are in Manhattan or Brooklyn. They found that while the average daily revenue for all Airbnb listings was $160 a night, the average for impact listings was $222. They estimate that holding all else constant, had all the impact listings to be brought back to the residential rental market as vacant units, the number of vacant units in NYC would increase 10% (including a 21% increase in Manhattan) and the overall vacancy rate would rise from 3.6% to 4.0% (and up to 4.7% in Manhattan).

Cooperative and Condominium Activity

Developers planning to build new co-op or condo buildings, and owners wishing to convert their rental buildings to co-ops or condos, must file plans with, and receive acceptance from, the New York State Attorney General's Office.[29] In 2016, the Attorney General accepted 282 co-op and condo plans, a 3.1% decrease from the number accepted in 2015.[30] These 282 plans encompassed 8,671 housing units, 31.3% fewer than in 2015 (see graph on this page).

Almost two-thirds of all plans, 179, were accepted for buildings located in Brooklyn; 77 were located in Manhattan; 19 plans were accepted for Queens; seven plans were accepted in Staten Island; and no plans were in the Bronx. Because Manhattan buildings tend to be larger than those in the outer boroughs, more units were located in Manhattan (3,681), with Brooklyn (3,045) and Queens (1,860) trailing, and only 85 units in Staten Island. (See Appendices G.5 and G.6.)

The majority of the plans accepted Citywide in 2016 were for new construction, comprising 210 of 282 plans, and a total of 6,653 of 8,671 units. This is similar to the prior year, when new construction accounted for 219 of the 291 accepted plans. A significant number of units were located in non-eviction conversions (with 27 plans and 1,602 units), and 45 plans, with 416 units, were rehabilitations. Of all the newly accepted plans in 2016, 95.2% of the units were in condo plans, and 4.8% were in co-op plans (see graph on this page).

While the conversion of rental housing into co-op and condo units increases the housing inventory for sale, it simultaneously reduces the total number of housing units for rent. Conversions represented 18.5% of the total number of units in 2016 co-op and condo plans, a lesser share than the 24.9% share in 2015. Because most conversion plans are non-eviction plans (including all plans in 2016), only when the original rental tenant moves out, or opts to buy the apartment, does the apartment become owner-occupied and removed from the rental universe.

Rehabilitation

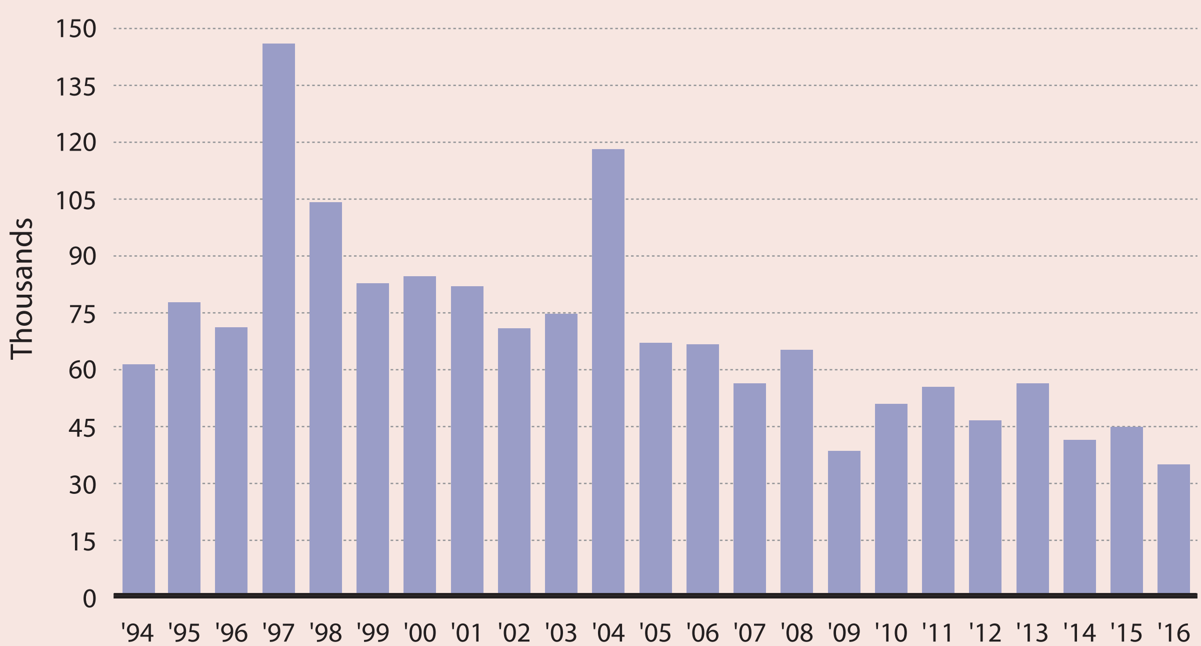
Another method for adding to or preserving the City's residential housing stock is through rehabilitation of old buildings. As buildings age, they must undergo renovation and rehabilitation to remain habitable. This is particularly relevant to NYC's housing stock, where more than 57% of units are in buildings constructed prior to 1947.[31] Through tax abatement and exemption subsidy programs offered by the City for rehabilitation, units are able to remain in, or be readmitted to, the City's housing stock. The J-51 tax abatement and exemption program is intended to encourage the periodic renovation of NYC's stock of both renter- and owner-occupied housing.

The J-51 tax relief program is similar to the 421-a program in that it requires that those rental units not already rent stabilized be subject to rent regulation for the duration of the benefits. Rehabilitation activities that are permitted under J-51 regulations are Major Capital Improvements (MCIs); moderate and gut rehabilitation of both government-assisted and privately-financed multiple dwellings (which requires significant improvement to at least one major building-wide system); as well as improvements to co-ops and condos (subject to certain assessment guidelines if the project does not include substantial governmental assistance). While prior incarnations of the J-51 program allowed for conversion of lofts and non-residential buildings into multiple dwellings, regulations effective January 1, 2012 allow only for conversions if there is substantial governmental assistance.[32]

In 2016, 34,311 units newly received J-51 benefits, a decrease of 22.5% from the previous year (see graph on this page and Appendix G.8).[33] These units were contained in 2,192 buildings, an increase of 0.8% from 2015 levels. The location of the units newly receiving benefits ranged from 38.8% located in the Bronx; to 33.6% in Queens; 22.4% in Brooklyn; 5.2% in Manhattan; and just two units in Staten Island. Units newly receiving benefits fell by double digits in all the boroughs except the Bronx, including decreases of 32.1% in Brooklyn, 33.8% in Queens, 37.3% in Manhattan, and from 1,151 units to two units in Staten Island. Units newly receiving J-51 benefits rose 15.4% in the Bronx. (See Appendices G.7 and G.8.) The average size of the buildings receiving benefits dropped for the fourth consecutive year, from an average of 20 units in 2015, to 16 units in 2016.

Units Receiving Initial J-51 Benefits, 1994-2016, in Thousands

2016 Saw Decrease in Number of Units Newly Receiving J-51 Benefits



Source: NYC Department of Housing Preservation and Development

In Fiscal Year 2016, the J-51 tax program cost the City $286.9 million in lost tax revenue for all housing types, including approximately 281,000 rental units and 228,000 owner units.[34]

Rehabilitation work is also carried out through HPD's "Alternative Enforcement Program (AEP)," now in its ninth year of identifying the 200-250 "worst" buildings in the City, based on housing code violations. The most recent group of 250 buildings include 3,963 units of housing, with 6,572 non-hazardous A-class violations, 20,931 hazardous B-class violations, and 5,103 immediately hazardous C-class violations. If landlords in this program do not make repairs to their buildings, the City steps in to do so, and then charges the landlords. Through the first nine rounds of the program, the City has discharged 1,887 buildings that entered the program, with a combined total of 22,747 units of housing.[35]

Tax-Delinquent Property

In Rem Housing and Anti-Abandonment Strategies

Historically, the City foreclosed on thousands of tax-delinquent residential properties, becoming the owner and manager of these buildings, known as *in rem* properties. By its peak in 1986, the City owned and managed 4,000 occupied buildings containing 40,000 units of housing and almost 6,000 vacant buildings containing 55,000 units of housing.

HPD's Alternative Management Programs began in 1994 with the goal of returning City-owned properties to private owners and reducing its share of *in rem* buildings by identifying buildings at risk and helping owners. HPD has successfully reduced the number of occupied and vacant *in rem* units in central management to 125 through June 2016, a 70.2% decline from the previous FY and a 99.7% decline since FY 1994.[36] Key initiatives to prevent abandonment include tax lien sales; the Third Party Transfer Program, which targets distressed and other buildings with tax arrears;[37] and housing education courses, which teach owners and superintendents basic management, maintenance, and finance skills to improve their properties.[38]

The City no longer forecloses and takes title to properties that are tax delinquent. Instead, tax liens for properties that are not distressed are sold in bulk to private investors. After the lien is sold, the lien holder is entitled to collect the entire lien amount, plus other interest and charges, from the property owner. In addition, the property owner must continue to pay current taxes to the City. If the owner has not paid the lien or entered into a payment plan, the lien holder can file for foreclosure on the property.[39]

An additional facet of the City's anti-abandonment strategy is third party transfer. For buildings that are distressed and in tax arrears, the City can initiate an *in rem* tax foreclosure action against property owners. The policy, authorized under Local Law 37 of 1996, transfers the title of *in rem* properties directly to new owners (qualified third parties) without the City ever taking title itself.[40] Since it began in 1996, the NYC Department of Finance has collected at least $536 million in revenue associated with properties in this program, and more than 500 buildings have been transferred to responsible for-profit and non-profit owners. No new properties have been transferred since 2013.[41]

Demolitions

While in the early 1990s relatively few residential buildings in NYC were demolished, this began to change in 1996, the same year that the number of building permits issued began to increase significantly. In fact, the number of buildings demolished between 2005 and 2007 alone was almost triple the number demolished in all the years from 1990 to 1999 combined. After increasing for three consecutive years, demolitions Citywide decreased in 2016. A total of 1,849 buildings were demolished in 2016, a 2.0% decrease over the prior year, following an increase of 24.7% in 2015. Queens accounted for 35.4% of all the buildings demolished in 2016, Brooklyn had 34.7%, Staten Island had 12.7%, Manhattan had 9.6%, and the Bronx had the lowest proportion, 7.5%. Demolitions fell in Brooklyn, Staten Island and Manhattan in 2016, by 3.9%, 11.7%, and 20.9%, respectively. Demolitions rose in both Queens and the Bronx, by 7.0%, and 19.8%, respectively.[42] (See Appendix G.9.)

Summary

In 2016, housing permits fell for the first time since 2009, falling by 71.2%, while the number of completed housing units increased by 61.9%. The number of units newly receiving 421-a tax benefits fell 17.8% in 2016, while units newly receiving J-51 tax abatements and exemptions decreased by 22.5%. There was a decrease in newly accepted co-op and condo units, with units decreasing 31.3% and plans decreasing by 3.1%. Rental housing availability remains tight, with a Citywide vacancy rate of just 3.45% in 2014, and overcrowding remains a problem. Mayor de Blasio's ten-year housing initiative calls for the development and preservation of 200,000 units of housing by 2024, more than 62,000 of which have already been started, to help reduce the affordable housing shortage. ❒

Endnotes

1. The NYC Housing and Vacancy Survey is conducted triennially, sponsored by the NYC Department of Housing Preservation and Development and conducted by the U.S. Census Bureau. Data is based on "Selected Initial Findings of the 2014 NYC Housing and Vacancy Survey," prepared by HPD.

2. The U.S. housing stock was comprised of 36.1% renter-occupied units, according to the 2015 American Community Survey, conducted by the U.S. Census Bureau. To calculate the ratio of renter-occupied units in NYC, staff did not include vacant units that are not for sale or for rent in the total number of housing units.

3. Other units include public housing, Mitchell-Lama, *In Rem*, HUD-regulated, Article 4 and Loft Board units.

4. Since the number of vacant units available for rent in Staten Island is small, and the HVS is a sample survey, the sampling error of the vacancy rate is likely to be large, and thus, the U.S. Census Bureau could not calculate an accurate vacancy rate.

5. U.S. Census Bureau web site. https://www.census.gov/construction/bps/

6. NYC Department of City Planning data. Note that the data is continually updated and is subject to change, including data from prior years.

7. Beginning with the *2006 Housing Supply Report,* the NYC Department of City Planning (DCP) defines a housing completion as any unit receiving either a final or a temporary Certificate of Occupancy in the stated year. DCP provided this information for the 2004 calendar year and beyond, and believes it is a more accurate representation of new housing in NYC than previous methodologies which only counted final Certificates of Occupancy.

8. Starts refer to the number of units beginning construction or rehabilitation in a given period.

9. Preliminary Fiscal 2017 Mayor's Management Report . <http://www1.nyc.gov/site/operations/performance/mmr.page>

10. Citywide Performance Reporting website: <http://www.nyc.gov/html/ops/cpr/html/home/home.shtml>; Accessed May 2017.

11. Mandatory Inclusionary Housing (MIH), enacted in March 2016, requires a share of new housing in medium- and high-density areas that are rezoned to promote new housing production—whether rezoned as part of a city neighborhood plan or a private rezoning application—to be permanently affordable. For more information on the program, see Mandatory Inclusionary Zoning Summary. NYC Department of City Planning. <http://www1.nyc.gov/assets/planning/download/pdf/plans-studies/mih/mih-summanry-adopted.pdf> and New York City Council. <http://labs.council.nyc/land-use/mih-zqa/mih/>

12. "In 1st Year Under Mandatory Rules, Mayor de Blasio and City Council Authorize 4,700 Affordable Homes Through Program." *HPD Press Release.* March 22, 2017.

13. "Still Your City: Mayor de Blasio Announces Major Progress Helping New Yorkers Afford Their Homes and Neighborhoods." *HPD Press Release and Fact Sheet.* January 12, 2017. Extremely Low-Income is defined as 0-30% of Area Median Income (AMI); Very Low-Income: 31-50% of AMI; Low-Income: 51-80% of AMI; Moderate-Income: 81-120% of AMI; Middle-Income: 121-165% of AMI.

14. Program information available at: <http://www1.nyc.gov/site/hpd/developers/tax-incentives-421a.page>

15. "Affordable Housing Program Revived," Greenberg Traurig, April 13, 2017. <http://www.gtlaw.com/News-Events/Publications/Alerts/203029/Affordable-New-York-Housing-Program-Revived>

16. "Governor Cuomo and Legislative Leaders Announce Agreement on FY 2018 State Budget," *State of New York Press Release*, April 7, 2017.

17. "Estimated Cost to New York City of Governor Cuomo's Proposed Affordable New York Housing Program," NYC Independent Budget Office, March, 2017.

18. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

19. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2017.

20. Developments are eligible to withdraw from the Mitchell-Lama program, or buyout, after 20 years upon prepayment of the mortgage (or after 35 years in the case of developments aided by loans prior to May 1, 1959).

21. The number of Mitchell-Lama buyouts was provided most recently through the NYC Department of Housing Preservation and Development and the NYS Division of Housing and Community Renewal, and in previous years through other sources, such as the report "Affordable No More: An Update" by the Office of the New York City Comptroller, Office of Policy Management on May 25, 2006.

22. NYC Department of Housing Preservation and Development, Tax Incentives Program data.

23. NYC Department of Housing Preservation and Development.

24. Mayor Bloomberg Announces Results of City's Efforts to Curb Dangerous Illegal Hotels in New York City After State Legislation Enhances Enforcement Abilities." *Mayor's Office Press Release 157-12.* April 27, 2012.

25. Office of the Criminal Justice Coordinator, Mayor's Office of Special Enforcement. Inclusive of data through April 8, 2017.

26. "Cuomo signs bill that deals huge blow to Airbnb," *New York Post*, October 21, 2016.

27. "No Landlords Fined in Airbnb Hot Spot Since City Crackdown Began," *DNA Info*, May 12, 2017.

28. "Shortchanging New York City: The Impact of Airbnb on New York City's Housing Market." Prepared by BJH Advisors LLC for Housing Conservation Coordinators Inc. and MFY Legal Services, June 2016.

29. NYS Attorney General's Office, Real Estate Financing Bureau data and the NYC Department of Housing Preservation and Development, Sales Unit. Virtually all accepted units reported are from data provided by the NYS Attorney General. For the purposes of this report, "accepted" refers only to those co-op and condo plans that require offering plans. Those that do not, and receive a "no-action" letter from the NYS Attorney General's office, are not included in this data.

30. In February of 2016, the RGB requested 2015 accepted co-op and condo completion data from the NYS Attorney General's Office, Real Estate Financing Bureau data. That data was reported as given to the RGB in the *2016 Housing Supply Report*. In November the RGB was advised that the data might be incorrect, and it was subsequently adjusted downward by the Attorney General's office. The number of accepted co-op and condo plans in 2015 was adjusted downward from 439 plans to 291 plans. The number of accepted units was adjusted downward from 19,742 to 12,622. The data originally included filings of "no-action" letters. A no-action letter is a document issued by the NYS Attorney General confirming that a real estate transaction within a co-op or condominium project does not require a formal offering plan, such as when previously unsold space in a condo (such as a super's apartment or office space) is put on sale after the acceptance of the original offering plan, or when the tenants of a building jointly agree to sponsor a condo project. These filings are not normally included in RGB data, and 2015 data reported in the *2017 Housing Supply Report* reflects this change. In addition, data from 2012-2014 was modified slightly, based on updated data from the Attorney General's office.

31. *2014 NYC Housing and Vacancy Survey*, U.S. Census Bureau.

32. Landlord Information/Tax Incentives: J-51, NYC Department of Housing Preservation and Development web site. <http://www1.nyc.gov/site/hpd/developers/tax-incentives-j51.page>.

33. NYC Department of Housing Preservation and Development, Tax Incentives Program data. Note that, similar to the 421–a program, J-51 provides tax abatements and incentives to both renter- and owner-occupied units.

34. "Annual Report on Tax Expenditures," NYC Department of Finance publication, February, 2017.

35. "HPD Announces 250 Distressed Properties in 2017 Alternative Enforcement Program." *HPD Press Release.* February 6, 2017.

36. NYC Department of Housing Preservation and Development.

37. NYC Department of Housing Preservation and Development website. <http://www1.nyc.gov/site/hpd/owners/compliance-property-tax-delinquency.page>

38. NYC Department of Housing Preservation and Development website. <http://www1.nyc.gov/site/hpd/community/outreach-and-education.page>

39. NYC Department of Finance, General Information on the City's Tax Lien Sale Process. <http://www1.nyc.gov/site/finance/taxes/property-lien-sales.page>

40. "New York City Case Study: Third Party Transfer Initiative: A Solution To Property Abandonment," by Lisa Mueller, Local Initiative Support Corporation report, January 14, 2003.

41. Most recent figures obtained from NYC Department of Housing Preservation and Development, April, 2017.

42. NYC Department of Buildings (DOB) data. Note that demolition statistics include both residential as well as commercial buildings, as the DOB does not specify the type of building in its data.

Changes to the Rent Stabilized Housing Stock in New York City in 2016

What's New

- The study finds a net estimated loss of 677 rent stabilized units in 2016.
- Most of the additions to the rent stabilized stock in 2016 were due to the 421-a tax incentive program, accounting for 72% of the additions.
- High Rent/Vacancy Deregulation made up the largest category of subtractions from the stabilized stock in 2016, accounting for a 62% decrease.
- The median rent of initially registered rent stabilized apartments in 2016 was $2,750, a 27% increase from the prior year.
- Since 1994, New York City's rent stabilized housing stock has seen an approximate net loss of 151,899 units.

Overview

Rent regulation has been a fixture in New York City's housing market for over seven decades, although the laws that govern rent regulated housing have been substantially changed and/or modified over time. The laws governing rent regulation allow for dynamic changes in the regulatory status of a significant portion of the rent regulated housing stock in any given year. Units enter, exit or change status within the regulatory system.

The figures in this study represent additions and subtractions of dwelling units to and from the rent stabilization system in 2016. These statistics are gathered from various City and State agencies.

This report is an update of previous studies done annually since 2003, when an analysis was done of the changes in New York City's rent stabilized housing stock from 1994 to 2002. The total number of additions and subtractions to the rent stabilized housing stock since 1994 is contained in the appendices of this report. These totals do not represent every unit that has been added or subtracted from the rent stabilized stock since 1994, but rather those that have been recorded or registered by various City and State agencies. They represent a 'floor,' or minimum count, of the actual number of newly regulated and deregulated units in these years.

Additions to the Rent Stabilized Housing Stock

Since newly constructed or substantially rehabilitated units are exempt from rent regulation, increases to the regulated housing stock are frequently a result of owners placing these new units under rent stabilization in exchange for tax benefits. These owners choose to place units under rent stabilization because of cost/benefit analyses concluding that short-term regulation with tax benefits is more profitable than free market rents without tax benefits. According to the New York State Division of Housing and Community Renewal (DHCR), the median legal rent of initially registered rent stabilized apartments in 2016 Citywide was $2,750, an increase of 27% from $2,167 in 2015. (See Appendix H.3 for initially registered rents Citywide and by borough.) Events that lead to the addition of stabilized units include:

- Section 421-a Tax Exemption Program
- J-51 Property Tax Exemption and Abatement Program
- Mitchell-Lama buyouts
- Lofts converted to rent stabilized units
- Rent controlled apartments converting to rent stabilization
- Other Additions

Section 421-a and J-51 Programs

The NYC Department of Housing Preservation and Development (HPD) administers programs to increase the supply of rental housing. Two of these programs have a significant impact on the inventory of stabilized housing: The Section 421-a Program and the J-51 Program. Under the expired Section 421-a of the Real Property Tax Law, newly constructed dwellings in New York City could elect to receive real estate tax exemptions in exchange for placing units in rent stabilization for a specified period (10-25 years).[1] In 2016, an estimated total of 4,921 units were added to the rent stabilized stock through the 421-a program, 96% more than the 2,515 units added in 2015. The largest number of units was in Brooklyn (1,975); followed by Manhattan (1,548); Queens (687); the Bronx (607); and Staten Island (104). According to DHCR, the median legal rent of currently registered rent stabilized apartments receiving 421-a tax abatements in 2016 is $3,270, a decline of 5% from $3,435 in 2015.

The J-51 Program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated. This program also provides these benefits to residential buildings converted from commercial structures. In consideration of receiving these benefits, owners of these buildings agree to place under rent stabilization those apartments that otherwise would not be subject to regulation. The apartments remain stabilized, at a minimum, until the benefits expire. In 2016, no units were added to the rent stabilized stock because of the J-51 program, the same as in 2015. (See Appendices H.1 and H.2.)

Mitchell-Lama Buyouts

Mitchell-Lama developments were constructed under the provisions of Article 2 of the Private Housing Finance Law (PHFL). This program was primarily designed to increase the supply of housing affordable to middle-income households. Approximately 75,000 rental apartments and 50,000 cooperative units were constructed under the program from the 1950's through the 1970's. For these units to be affordable, the State or City provided low interest mortgages and real estate tax abatements, and the owners agreed to limit their return on equity.

While the State and City mortgages are generally for a term of 40 or 50 years, the PHFL allows owners to buy out of the program after 20 years. If an owner of a rental development buys out of the program and the development was occupied prior to January 1, 1974, the apartments become subject to rent stabilization.

In 2016, 716 Mitchell-Lama rental units became rent stabilized, compared to none in 2015. Since 1994, 11,160 rental units have left the Mitchell-Lama system and become a part of the rent stabilized housing stock. (See Appendices H.1 and H.2.)

Loft Units

The New York City Loft Board, under Article 7-C of the Multiple Dwelling Law, regulates rents in buildings originally intended as commercial loft space that have been converted to residential housing. When the units are brought up to code standard, they become stabilized. A total of 5 units entered the rent stabilization system in 2016, compared to 18 added in 2015. (See Appendices H.1 and H.2.)

Changes in Regulatory Status

Chapter 371 of the Laws of 1971 provided for the decontrol of rent controlled units that were voluntarily vacated on or after July 1, 1971. Since the enactment of Vacancy Decontrol, the number of rent controlled units has fallen from over one million to roughly 27,000.[2] When a rent controlled unit is vacated, it either becomes rent stabilized or leaves the regulatory system. A rent controlled unit becomes rent stabilized when it is contained in a rental building with six or more units and the incoming tenant pays a legal regulated rent less than the Deregulation Rent Threshold (DRT), currently $2,700 per month.[3] This process results in a reduction of the rent controlled stock and an increase in the rent stabilized stock. Otherwise, the apartment is subject to deregulation and leaves the rent regulatory system entirely.

According to rent registration filings with the NYS Division of Housing and Community Renewal (DHCR), 377 units were decontrolled and became rent stabilized in 2016, up 40% from the prior year. By borough, 49% of the units were in Manhattan; 21% were in Brooklyn; 15% were in Queens; another 15% were in the Bronx; and fewer than 1% were on Staten Island. (See Appendices H.1 and H.2.)

Other Additions to the Stabilized Housing Stock

Additionally, several other events can increase the rent stabilized housing stock: tax incentive programs (in addition to the 421-a and J-51 programs), "deconversion," returned losses, and the sub-division of large units into two or more smaller units. The 420-c program, a tax exemption program for low-income housing projects developed in conjunction with the Low-Income Housing Tax Credit Program, produces affordable housing with rents that are regulated, but not necessarily rent stabilized.[4] The RGB is unable to determine the number of these units that became rent stabilized.

However, there are other tax incentive programs, which as part of their regulatory agreements may require their rental units to be rent stabilized, and whose stabilization status could be determined. These tax incentive programs include Article 11 of the Private Housing Finance Law (PHFL), which added 787 units Citywide in 2016; as well as Articles 14 & 15 of PHFL, which added 41 units Citywide in 2016.[5] Among these tax incentive programs, the majority of units were in Manhattan (573 units); followed by the Bronx (234 units); and Brooklyn (21 units). There were no units added in Queens or Staten Island.

Deconversion occurs when a building converted to cooperative status reverts to rental status because of financial difficulties. Returned losses include abandoned buildings that are returned to habitable status without being substantially rehabilitated, or City-owned *in rem* buildings being returned to private ownership. These latter events do not generally add a significant number of units to the rent stabilized stock and cannot be quantified for this study.

Subtractions from the Rent Regulated Housing Stock

Deregulation of rent controlled and stabilized units occurs because of statutory requirements or because of physical changes to the residential dwellings. Events that lead to the removal of stabilized units include the following:

- High-Rent High-Income Deregulation
- High-Rent Vacancy Deregulation
- Cooperative/Condominium Conversions
- Expiration of 421-a Benefits
- Expiration of J-51 Benefits
- Substantial Rehabilitation
- Conversion to Commercial or Professional Status
- Other Losses to the Housing Stock – Demolitions, Condemnations, Mergers, etc.

High-Rent High-Income Deregulation

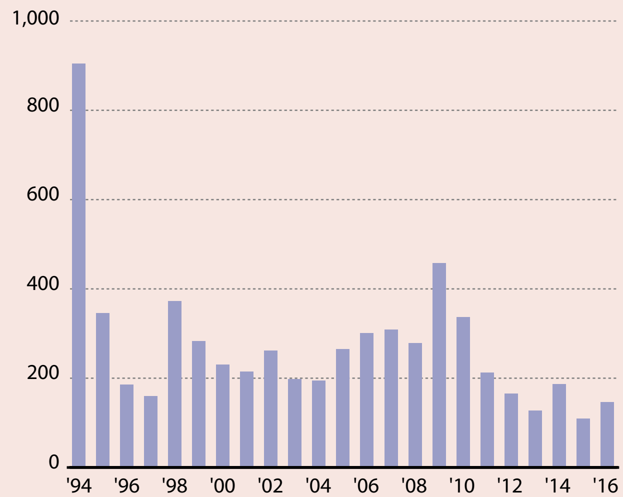
Since enactment of the Rent Regulation Reform Act (RRRA) of 1993, occupied apartments may be deregulated under certain circumstances. Beginning with the RRRA of 1993, apartments renting for $2,000 or more in which the tenants in occupancy had a combined household income more than $250,000 in each of the immediately two preceding calendar years could be deregulated. In 1997, the RRRA reduced the income threshold to $175,000. Four years later, with passage of the Rent Act of 2011, the rent threshold was raised to $2,500 and the income requirement increased to $200,000.

Most recently, the Rent Act of 2015, effective June 15, 2015, maintained the same income requirement but modified the Deregulation Rent Threshold for High-Rent High-Income Deregulation. The DRT was increased to $2,700 and will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the Rent Guidelines Board.

Deregulation occurs upon application by the owner and upon the expiration of the rent stabilized lease. This income-based deregulation process, which is administered by DHCR, relies upon data furnished to the NYS Department of Taxation and Finance as part

High-Rent High-Income Deregulation, 1994-2016

Number of Units Deregulated due to High-Rent High-Income Deregulation Increase



Source: NYS Division of Housing and Community Renewal annual registration data.

of the verification process. Both the rent level and household income criteria should be met for deregulation to take place. For example, currently, if a household earning at least $200,000 paid less than $2,700 per month, rent regulation would remain in effect. In addition, the owner must apply to DHCR to deregulate the unit. If the owner does not submit a deregulation application, the occupying tenant remains regulated regardless of rent level and household income. Because DHCR must approve the orders of deregulation, an exact accounting exists of units leaving regulation because of High-Rent High-Income Deregulation.

Based on DHCR processing records, High-Rent High-Income Deregulation removed a total of 146 apartments from rent regulation in 2016, a 34% increase from the prior year.[6] Of these units, 63% were in Manhattan; 21% in Brooklyn; 16% in Queens; and 1% in the Bronx. No units were added on Staten Island.

Since 1994, a total of 6,239 units have been deregulated due to High-Rent High-Income Deregulation, of which 87% have been in Manhattan. (See graph on this page and Appendix H.4.)

High-Rent Vacancy Deregulation

Similar to the provisions of High-Rent High-Income Deregulation, High-Rent Vacancy Deregulation has also changed several times since its inception. In 1993, the New York State legislature instituted High-Rent Vacancy Deregulation.[7] (See the *Changes to the Rent Stabilized Housing Stock in NYC in 2014* report for a detailed discussion of the numerous changes over the years.)

Currently, under the Rent Act of 2015, when a tenant moves into a vacant apartment and the rent has lawfully reached the Deregulation Rent Threshold, currently $2,700, the apartment qualifies for permanent High-Rent Vacancy Deregulation. The DRT will be increased each January 1st thereafter by the one year renewal lease guideline percentage issued the prior year by the NYC Rent Guidelines Board.

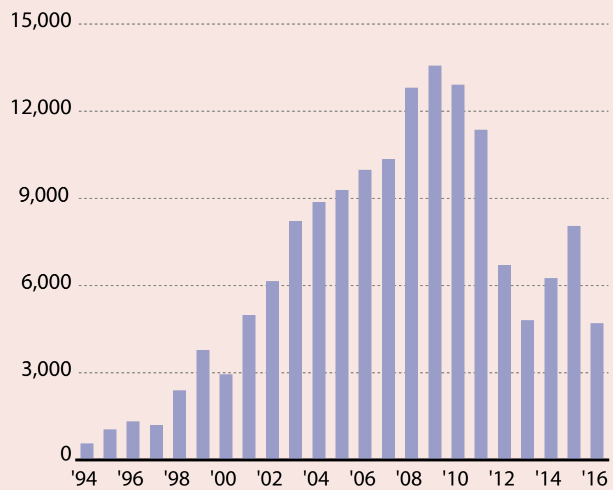
Furthermore, DHCR's Rent Code Amendments of 2014 require an owner to serve the first deregulated tenant with two documents. The first is a notice created by DHCR detailing the previous rent and how the new rent was calculated. The second is a DHCR annual apartment registration, indicating the apartment status as permanently exempt, which should be filed on the April 1st following the deregulation. These documents notify the tenant of the right to file a formal complaint with DHCR challenging the rent and the deregulation status.

According to DHCR rent registration records, 4,690 units were deregulated in 2016 due to High-Rent Vacancy Deregulation, down 42% from the number deregulated in 2015. Of these deregulated units, 54% were in Manhattan; 24% were in Brooklyn; 18% were in Queens; 4% were in the Bronx; and 1% were on Staten Island. Since 1994, at least 152,147 units were registered with the DHCR as being deregulated due to High-Rent Vacancy Deregulation, 70% of which have been in Manhattan.[8]

Since 2001, the first year owners were asked, but not required, to file High-Rent Vacancy Deregulation registrations, the rate at which registrations have changed over the prior year has varied.[9] From 2001 to

High-Rent Vacancy Deregulation, 1994-2016

Decrease in 2016 in Number of Units Deregulated due to High-Rent Vacancy



Note: Prior to 2014, registration of deregulated units with DHCR was voluntary and not required. These totals represent a 'floor' or minimum count of the actual number of deregulated units in these years.

Source: NYS Division of Housing and Community Renewal annual registration data.

2002, High-Rent Vacancy Deregulation registrations increased by 23%, and from 2002 to 2003, they increased by 34%. From 2004 to 2009, the rate of increase was between 4% and 8% each year, except for 2008, when the number of units registering as deregulated due to High-Rent Vacancy Deregulation increased 24% over the prior year. Since 2010, the number of units subject to High-Rent Vacancy Deregulation declined in all but two years. (See graph on this page and Appendices H.5 through H.7.)

Co-operative & Condominium Conversions

When rent regulated housing is converted through cooperative or condominium conversion to ownership status, apartments are immediately removed from rent regulation if the occupant chooses to purchase the unit.

For tenants who remain in their apartment and do not purchase their unit, the rent regulatory status depends on the type of conversion plan. In eviction conversion plans, non-purchasing tenants may continue in residence until the expiration of their lease. In non-eviction plans (which are the overwhelming majority of approved plans) the regulated tenants have the right to remain in occupancy until they voluntarily leave their apartments. When a tenant leaves a regulated unit, the apartment in most cases becomes deregulated, whether the incoming tenant purchases or rents.

In 2016, a total of 665 units located in co-ops or condos left the stabilized housing stock, 8% greater than left the system the prior year. By borough, the largest proportion of units leaving rent stabilization and becoming co-op/condo was in Manhattan, with 45% of the units; followed by Queens (29%); Brooklyn (18%); and the Bronx (8%). No coop/condo units on Staten Island left rent stabilization. An estimated total of 48,968 co-op or condo units have left the stabilized stock since 1994. (See Appendices H.6 and H.7.)

Expiration of Section 421-a and J-51 Benefits

As discussed earlier in this report, rental buildings receiving Section 421-a and J-51 benefits remain stabilized, at least until the benefits expire. Therefore, these units enter the stabilized system for a prescribed period of the benefits and then exit the system.

In 2016, expiration of 421-a benefits resulted in the removal of a total of 749 units from the rent stabilization system, 31% fewer than the number removed the prior year. Most 421-a expirations were in Manhattan (54%), while the remainder were in the Bronx (24%); Queens (15%); Brooklyn (6%); and Staten Island (1%).

The expiration of J-51 benefits in 2016 resulted in the removal of 460 units, 60% more than the number in 2015. Among J-51 expirations, the vast majority were in Manhattan, with 83%; followed by Brooklyn (8%); Queens (7%); and the Bronx (2%). No units were removed on Staten Island.

Since 1994 Citywide, 23,762 421-a units and

15,853 J-51 units have left the rent stabilization system. (See Appendices H.6 and H.7.)

Substantial Rehabilitation

The Emergency Tenant Protection Act (ETPA) of 1974 exempts apartments from rent regulation in buildings that have been substantially rehabilitated on or after January 1, 1974. DHCR processes applications by owners seeking exemption from rent regulation based on the substantial rehabilitation of their properties. Owners must replace at least 75% of building-wide and apartment systems (i.e., plumbing, heating, electrical wiring, windows, floors, kitchens, bathrooms, etc.). In general, buildings that have been substantially rehabilitated and vacated tend to have been stabilized properties. Therefore, when these buildings are substantially rehabilitated, the apartments are no longer subject to regulation and are considered new construction. This counts as a subtraction from the regulated stock. Notably, these properties do not receive J-51 tax incentives for rehabilitation.

In 2016, 216 units were removed from stabilization through substantial rehabilitation, a decrease of 25% from the prior year. By borough, the largest proportion of units leaving rent stabilization was in Brooklyn, with 55% of the units; followed by Manhattan (40%); Queens (5%) and the Bronx (less than 1%). No units were subtracted on Staten Island. A total of 9,267 units have been removed from the rent stabilization system through substantial rehabilitation since 1994. (See Appendix H.6.)

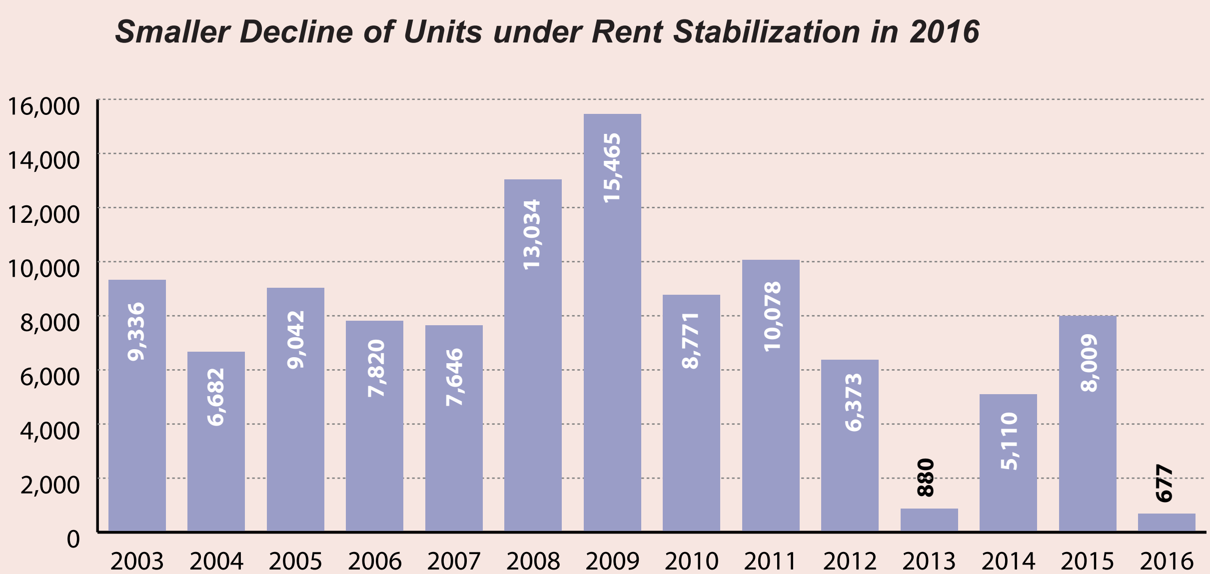
Conversion to Commercial or Professional Status

Space converted from residential use to commercial or professional use is no longer subject to rent regulation. In 2016, 160 units were converted to nonresidential use, compared to just 13 in the prior year. Since 1994, 2,448 residential units have been converted to nonresidential use. (See Appendix H.6.)

Other Losses to the Housing Stock

Owners may register units as permanently exempt when smaller units are merged into larger ones, or when the building is condemned, demolished or boarded-

Net Decline in Rent Stabilized Units, 2003-2016



Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

up/burnt-out. DHCR annual registration data shows that 438 units were removed from the stabilized housing stock in 2016 due to these reasons, an increase of 19% from the prior year. By borough, the largest proportion of units leaving rent stabilization due to other losses was in Manhattan, with 68% of the units; followed by Brooklyn (20%); Queens (10%); and the Bronx (2%). No units were removed on Staten Island. Since 1994, 25,617 units have been removed from rent stabilization due to these other types of losses. (See Appendix H.6.)

Summary

In 2016, at least 7,524 housing units left rent stabilization and approximately 6,847 units initially entered the stabilization system.

The built-in fluidity of the system resulted in a net loss of at least 677 units in the rent stabilized housing stock in 2016, following an estimated net loss of 8,009 units in 2015. (See graph on previous page and Summary Table on next page.)

By borough, Brooklyn saw the most additions (42%); followed by Manhattan (32%); the Bronx (13%); Queens (11%); and Staten Island (2%). Units added to the stabilized stock in 2016 registered median legal rents of $2,750, a 27% increase from prior year. The vast majority of units added were the result of the 421-a program, which comprised 72% of the additions. (See Appendices H.1 and H.2.)

Meanwhile, 56% of all units leaving rent stabilization were located in Manhattan, a total of 4,229 units. The second largest reduction was in Brooklyn, representing 21% (1,570 units) removed; followed by Queens, 17% (1,243 units); the Bronx, 6% (440 units); and Staten Island, representing 1% (42 units) of the total number of units removed from rent stabilization in 2016. High-Rent Vacancy Deregulation was the largest source of measured subtractions from the rent stabilized housing stock in 2016, accounting for 62% of the total decrease. (See Appendix H.7.)

Since 1994, the first year for which we have data, a total of at least 132,402 units have been added to the rent stabilization system, while a minimum of 284,301 rent stabilized units have been deregulated, for an estimated net loss of 151,899 units over the last 23 years. ❒

Endnotes

1. The 421-a tax exemption program expired in January, 2016 but was replaced by the Affordable New York Housing Program. "Affordable Housing Program Gives City Tax Break to Developers," by Charles V. Bagli, *The New York Times*, April 11, 2017. The 421-a tax exemption will continue for those buildings that have already received benefits.

2. The 2014 Housing and Vacancy Survey reported a total of 27,039 rent controlled units in New York City.

3. The Rent Act of 2015, effective June 15, 2015, raised the Deregulation Rent Threshold for deregulation upon vacancy from $2,500 to at least $2,700. See "High-Rent High-Income Deregulation" section on page 5 for more information.

4. The 420-c tax incentive program provides a complete exemption from real estate taxes for the term of the regulatory agreement (up to 30 years). While the RGB is unable to quantify the number of units that became rent stabilized since 2003, the previously reported figure for the period 1994-2002, 5,500 rent stabilized units created through the 420-c program, is assumed to be correct. The figure is based upon units identified in rental projects with funding sources that require rent stabilization.

5. Article 11, 14 & 15 tax incentive programs encourages new construction or rehabilitation of affordable housing to be carried out by a Housing Development Fund Corporation (HDFC). The benefit consists of complete or partial exemption from real estate taxes for up to 40 years.

6. The final count for petitions for High-Rent High-Income Deregulation may be slightly reduced as they are subject to appeal or in some cases, to review by a court of competent jurisdiction.

7. Deregulation of certain high rent apartments was instituted in New York City twice before, in 1964 and in 1968.

8. An October 2009 court decision, Roberts v Tishman Speyer Props., L.P., found that about 4,000 apartments in the Stuyvesant Town and Peter Cooper Village complexes in Manhattan were improperly deregulated because the buildings were receiving J-51 tax benefits. This ruling affects other apartments deregulated elsewhere in the City but data on the precise number of units returned to rent stabilization status is unavailable.

Summary Table of Additions and Subtractions to the Rent Stabilized Housing Stock in 2016

Program	Number of Units
ADDITIONS	
421-a	+ 4,921
J-51 conversions	+ 0
Mitchell-Lama buyouts	+ 716
Loft conversions	+ 5
Article 11, 14 or 15	+828
CHANGES	
Rent control to rent stabilization	+ 377
Subtotal Additions & Changes	**+ 6,847**
SUBTRACTIONS	
Co-op and Condo subtractions	- 665
High Rent/Vacancy Deregulation	- 4,690
High Rent/High Income Deregulation	- 146
421-a Expiration	- 749
J-51 Expiration	- 460
Substantial Rehabilitation	- 216
Commercial/Professional Conversion	- 160
Other Subtractions	- 438
Subtotal Subtractions	**- 7,524**
NET TOTAL	
Net Estimated Loss	***- 677***

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration and Office of Housing Operations; and NYC Loft Board.

Appendices

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Appendix A: Guidelines Adopted by the Board

A.1 Apartments & Lofts - Order #49

On June 27, 2017, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2017 and on or before September 30, 2018 for rent stabilized apartments:

One-Year Lease	Two-Year Lease
1.25%	2.0%

In the event of a sublease governed by subdivision (e) of section 2525.6 of the Rent Stabilization Code, the allowance authorized by such subdivision shall be 10%.

No vacancy allowance is permitted except as provided by the Rent Regulation Reform Act of 1997 and the Rent Act of 2015.

For Loft units that are covered under Article 7-C of the Multiple Dwelling Law, the Board established the following maximum rent increases for increase periods commencing on or after October 1, 2017 and on or before September 30, 2018:

One-Year Increase Period	Two-Year Increase Period
1.25%	2.0%

Leases for units subject to rent control on September 30, 2017, which subsequently become vacant and then enter the stabilization system, are not subject to the above adjustments. The rents for these newly stabilized units are subject to review by the New York State Division of Housing and Community Renewal (DHCR). In order to aid DHCR in this review, the RGB has set a special guideline. For rent controlled units which become vacant after September 30, 2017, the special guideline shall be 33% above the maximum base rent.

A.2 Hotel Units - Order #47

On June 27, 2017, the Rent Guidelines Board (RGB) set the following maximum rent increases for leases commencing or being renewed on or after October 1, 2017 and on or before September 30, 2018 for rent stabilized hotels:

Single Room Occupancy Buildings (SRO)	0%
Lodging Houses	0%
Class A Hotels	0%
Class B Hotels	0%
Rooming Houses	0%

Appendix B: Price Index of Operating Costs

B.1 PIOC Sample, Number of Price Quotes per Item, 2016 vs. 2017

Spec	Description	2016	2017
211	Apartment Value	110	63
212	Non-Union Super	93	59
216	Non-Union Janitor/Porter	54	37
	LABOR COSTS	**257**	**159**
301	Fuel Oil #2	31	32
302	Fuel Oil #4	10	11
	FUEL OIL	**41**	**43**
501	Repainting	121	126
502	Plumbing, Faucet	34	32
503	Plumbing, Stoppage	32	29
504	Elevator #1, 6 fl., 1 e.	10	10
505	Elevator #2, 13 fl., 2 e.	10	10
506	Elevator #3, 19 fl., 3 e.	10	10
507	Burner Repair	10	10
508	Boiler Repair, Tube	11	11
509	Boiler Repair, Weld	9	9
510	Refrigerator Repair	8	8
511	Range Repair	10	10
512	Roof Repair	22	22
513	Air Conditioner Repair	7	8
514	Floor Maint. #1, Studio	8	6
515	Floor Maint. #2, 1 Br.	8	6
516	Floor Maint. #3, 2 Br.	8	6
518	Linen/Laundry Service	6	6
801	Light Bulbs	6	13
802	Light Switch	7	10
803	Wet Mop	10	14
804	Floor Wax	10	16
805	Paint	11	11
806	Pushbroom	11	11
807	Detergent	8	13
808	Bucket	11	13
809	Washers	13	6
(CONTINUED, TOP RIGHT)			
810	Linens	11	10
811	Pine Disinfectant	10	13
812	Window/Glass Cleaner	10	13
813	Switch Plate	13	11
814	Duplex Receptacle	9	12
815	Toilet Seat	12	15
816	Deck Faucet	14	15
901	Refrigerator #1	13	13
902	Refrigerator #2	12	12
903	Air Conditioner #1	9	8
904	Air Conditioner #2	9	9
905	Floor Runner	6	7
906	Dishwasher	12	12
907	Range #1	12	11
908	Range #2	11	12
909	Carpet	10	10
910	Dresser	5	6
911	Mattress & Box Spring	6	5
	MAINTENANCE	**595**	**620**
601	Management Fees	60	51
602	Accountant Fees	25	29
603	Attorney Fees	21	21
604	Newspaper Ads	18	20
607	Bill Envelopes	12	11
608	P.O. Box	10	10
609	Copy Paper	12	11
	ADMINISTRATIVE COSTS	**158**	**153**
701	INSURANCE COSTS	**412**	**294**
	ALL ITEMS	**1,463**	**1,269**

B.2 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Apartments, 2017

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	0.2831	1.0777	7.77%	0.0440
201	Payroll, Bronx, All (Union)	0.0961	1.0252	2.52%	0.0000
202	Payroll, Other, Union, Supts.	0.0988	1.0237	2.37%	0.0000
203	Payroll, Other, Union, Other	0.2477	1.0244	2.44%	0.0000
204	Payroll, Other, Non-Union, All	0.2987	1.0559	5.59%	0.5624
205	Social Security Insurance	0.0425	1.0371	3.71%	0.0000
206	Unemployment Insurance	0.0051	0.8560	-14.40%	0.0000
207	Private Health & Welfare	0.2112	1.0579	5.79%	0.0000
	LABOR COSTS	0.1651	1.0406	4.06%	0.1680
301	Fuel Oil #2	0.2902	1.1762	17.62%	0.9141
302	Fuel Oil #4	0.1472	1.3079	30.79%	1.6332
403	Electricity #3, 82,000 KWH	0.0000	1.1233	12.33%	0.0000
405	Gas #2, 65,000 therms	0.0903	1.2639	26.39%	0.0000
406	Gas #3, 214,000 therms	0.3856	1.2808	28.08%	0.0000
407	Steam #1, 1.2m lbs	0.0660	1.1995	19.95%	0.0000
408	Steam #2, 2.6m lbs	0.0207	1.2216	22.16%	0.0000
	FUEL	0.0861	1.2463	24.63%	0.3580
401	Electricity #1, 2,500 KWH	0.0232	0.8754	-12.46%	0.0000
402	Electricity #2, 15,000 KWH	0.2558	0.9765	-2.35%	0.0000
404	Gas #1, 12,000 therms	0.0072	1.0603	6.03%	0.0000
410	Water & Sewer	0.7138	1.0000	0.00%	0.0000
	UTILITIES	0.1075	0.9915	-0.85%	0.0000
501	Repainting	0.3343	1.0228	2.28%	0.5178
502	Plumbing, Faucet	0.1166	1.0351	3.51%	1.3833
503	Plumbing, Stoppage	0.1033	1.0673	6.73%	2.1684
504	Elevator #1, 6 fl., 1 e.	0.0470	1.0333	3.33%	0.7999
505	Elevator #2, 13 fl., 2 e.	0.0291	1.0336	3.36%	0.8451
506	Elevator #3, 19 fl., 3 e.	0.0162	1.0339	3.39%	0.9415
507	Burner Repair	0.0327	1.0289	2.89%	1.5007
508	Boiler Repair, Tube	0.0407	1.0104	1.04%	1.0383
509	Boiler Repair, Weld	0.0359	1.0105	1.05%	1.0714
510	Refrigerator Repair	0.0110	1.0187	1.87%	1.2965
511	Range Repair	0.0099	1.0058	0.58%	0.4505
512	Roof Repair	0.0670	1.0105	1.05%	0.6163
513	Air Conditioner Repair	0.0066	1.0043	0.43%	0.2917
514	Floor Maint. #1, Studio	0.0002	1.0287	2.87%	1.6040
515	Floor Maint. #2, 1 Br.	0.0004	1.0288	2.88%	1.6079
516	Floor Maint. #3, 2 Br.	0.0032	1.0297	2.97%	1.6729

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
801	Light Bulbs	0.0038	1.0303	3.03%	1.8700
802	Light Switch	0.0042	0.9887	-1.13%	3.5342
803	Wet Mop	0.0038	1.0477	4.77%	2.6503
804	Floor Wax	0.0041	0.9822	-1.78%	1.8541
805	Paint	0.0251	1.0354	3.54%	6.2914
806	Pushbroom	0.0031	1.0105	1.05%	2.4528
807	Detergent	0.0035	1.0045	0.45%	2.6427
808	Bucket	0.0046	0.9813	-1.87%	3.3134
809	Washers	0.0092	0.9787	-2.13%	3.7493
811	Pine Disinfectant	0.0063	1.0431	4.31%	6.6292
812	Window/Glass Cleaner	0.0064	0.9824	-1.76%	2.2897
813	Switch Plate	0.0046	1.0076	0.76%	1.1962
814	Duplex Receptacle	0.0030	0.9890	-1.10%	2.1810
815	Toilet Seat	0.0105	1.0024	0.24%	2.2358
816	Deck Faucet	0.0130	0.9902	-0.98%	0.8080
901	Refrigerator #1	0.0039	1.0177	1.77%	1.2389
902	Refrigerator #2	0.0188	0.9923	-0.77%	0.4462
903	Air Conditioner #1	0.0007	0.9988	-0.12%	0.6848
904	Air Conditioner #2	0.0009	1.0069	0.69%	0.7040
905	Floor Runner	0.0036	0.9808	-1.92%	2.2434
906	Dishwasher	0.0021	1.0160	1.60%	1.2285
907	Range #1	0.0021	1.0332	3.32%	1.3912
908	Range #2	0.0086	0.9798	-2.02%	1.7390
	MAINTENANCE	0.1755	1.0252	2.52%	0.3551
601	Management Fees	0.5254	1.0409	4.09%	1.1585
602	Accountant Fees	0.1249	1.0351	3.51%	1.3516
603	Attorney Fees	0.2149	1.0397	3.97%	1.7111
604	Newspaper Ads	0.0108	1.0026	0.26%	0.2429
607	Bill Envelopes	0.0214	1.0174	1.74%	0.9897
608	P.O. Box	0.0223	1.0207	2.07%	0.2286
609	Copy Paper	0.0221	1.0040	0.40%	4.7799
409	Communications*	0.0581	0.9882	-1.18%	0.0000
	ADMINISTRATIVE COSTS	0.1316	1.0347	3.47%	0.7388
701	INSURANCE COSTS	0.0512	1.0800	8.00%	1.4666
	ALL ITEMS	1.0000	1.06207	6.21%	0.1444

*Spec 409, "Communications," was labeled as "Telephone" in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

B.3 Price Relative by Building Type, Apartments, 2017

Item Description	Pre-1947	Post-1946	Gas Heated	Oil Heated
TAXES	7.8%	7.7%	7.8%	7.8%
LABOR COSTS	4.3%	3.8%	4.1%	4.1%
FUEL	25.0%	23.4%	27.8%	22.1%
UTILITIES	-0.5%	-0.8%	-1.2%	-0.7%
MAINTENANCE	2.6%	2.3%	2.5%	2.5%
ADMINISTRATIVE COSTS	3.4%	3.6%	3.5%	3.5%
INSURANCE COSTS	8.0%	8.0%	8.0%	8.0%
ALL ITEMS	**6.7%**	**5.7%**	**6.0%**	**6.5%**

B.4 Price Relative by Hotel Type, 2017

Item Description	Hotel	Rooming House	SRO
TAXES	6.3%	6.0%	6.9%
LABOR COSTS	4.2%	5.0%	5.1%
FUEL	17.5%	17.6%	20.9%
UTILITIES	-0.5%	-3.3%	-1.9%
MAINTENANCE	1.1%	1.9%	0.6%
ADMINISTRATIVE COSTS	2.4%	3.3%	3.2%
INSURANCE COSTS	8.0%	8.0%	8.0%
ALL ITEMS	**6.2%**	**5.2%**	**7.0%**

B.5 Percentage Change in Real Estate Tax Sample by Borough and Source of Change, Apartments and Hotels, 2017

	% Change Due to Assessments	% Change Due to Exemptions	% Change Due to Tax Rates	% Change Due to Abatements	% Change Due to Interactions	Total % Change
APARTMENTS						
Manhattan	7.36%	-0.05%	0.06%	0.01%	0.00%	7.38%
Bronx	8.73%	-1.92%	0.07%	0.42%	0.00%	7.31%
Brooklyn	12.47%	-3.06%	0.07%	-0.05%	0.01%	9.43%
Queens	8.53%	-0.27%	0.07%	-0.15%	0.01%	8.19%
Staten Island	8.79%	-1.46%	0.07%	0.05%	0.01%	7.46%
All Apartments	**8.43%**	**-0.65%**	**0.06%**	**-0.07%**	**0.00%**	**7.77%**
HOTELS						
Hotel	7.57%	-0.72%	-0.57%	0.00%	-0.04%	6.25%
Rooming House	5.98%	-0.05%	0.09%	0.00%	0.01%	6.02%
SRO	8.19%	-0.98%	-0.19%	-0.14%	-0.01%	6.87%
All Hotels	**7.56%**	**-0.71%**	**-0.36%**	**-0.04%**	**-0.02%**	**6.42%**

Note: Totals may not add due to rounding.

B.6 Tax Change by Borough and Community Board, Apartments, 2017

Borough	Community Board	Number of Buildings	Tax Relative
Manhattan		**12,291**	**7.38%**
	1	89	13.94%
	2	1,101	7.60%
	3	1,561	7.06%
	4	938	8.33%
	5	254	11.90%
	6	808	7.27%
	7	1,694	8.40%
	8	1,903	5.00%
	9	742	8.86%
	10	1,012	6.66%
	11	739	0.92%
	12	1,439	8.19%
Lower		**7,890**	**7.39%**
Upper		**4,401**	**7.31%**
Bronx		**5,813**	**7.31%**
	1	445	8.80%
	2	280	9.53%
	3	399	4.51%
	4	748	9.62%
	5	714	7.59%
	6	558	7.52%
	7	967	7.15%
	8	344	6.65%
	9	307	9.33%
	10	213	7.83%
	11	321	6.49%
	12	494	2.88%
Brooklyn		**13,306**	**9.43%**
	1	1,658	6.42%
	2	620	7.77%
	3	1,048	14.16%
	4	1,443	2.24%
	5	469	12.28%
	6	903	9.38%
	7	899	9.92%
	8	1,027	9.50%
	9	579	13.07%
	10	803	8.38%
	11	701	8.77%
	12	622	9.54%
	13	174	5.99%
	14	890	10.59%
	15	367	8.46%
	16	382	22.42%
	17	629	12.00%
	18	81	10.05%
Queens		**6,908**	**8.19%**
	1	1,967	10.62%
	2	887	9.42%
	3	483	8.81%
	4	471	9.16%
	5	1204	3.64%
	6	326	7.04%
	7	453	8.09%
	8	222	7.24%
	9	240	7.06%
	10	50	7.15%
	11	122	10.04%
	12	191	8.75%
	13	54	5.42%
	14	169	6.84%
Staten Island		**175**	**7.46%**
	1	130	6.04%
	2	25	5.78%
	3	20	13.70%
ALL		**38,493**	**7.77%**

Note: No Community Board (CB) could be assigned to the following number of buildings for each borough: Manhattan (10), Bronx (23), Brooklyn (11), Queens (69). The number of buildings in the category "ALL" for each borough includes the buildings that could not be assigned a Community Board. In addition, one building in Manhattan is a part of Community Board 8 in the Bronx. This building is not included in the total for CB 8 in the Bronx, but is represented in the Manhattan total and the total for "ALL" buildings. Core and Upper Manhattan building totals are defined by block count and cannot be calculated by using Community Board numbers alone.

B.7 Expenditure Weights, Price Relatives, Percent Changes and Standard Errors, All Hotels, 2017

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
101	TAXES	**0.4098**	**1.0642**	**6.42%**	**0.8034**
205	Social Security Insurance	0.0491	1.0371	3.71%	0.0000
206	Unemployment Insurance	0.0104	0.8560	-14.40%	0.0000
208	Hotel Private Health/Welfare	0.0557	1.0599	5.99%	0.0000
209	Hotel Union Labor	0.3184	1.0381	3.81%	0.0000
210	SRO Union Labor	0.0124	1.0400	4.00%	0.0000
211	Apartment Value	0.1168	1.0440	4.40%	0.7753
212	Non-Union Superintendent	0.3102	1.0622	6.22%	1.4915
213	Non-Union Maid	0.0000	0.0000	NA	0.0000
214	Non-Union Desk Clerk	0.0000	0.0000	NA	0.0000
215	Non-Union Maintenance Worker	0.0000	0.0000	NA	0.0000
216	Non-Union Janitor/Porter	0.1269	1.0455	4.55%	0.0000
	LABOR COSTS	**0.1521**	**1.0465**	**4.65%**	**0.4715**
301	Fuel Oil #2	0.6039	1.1762	17.62%	0.9141
302	Fuel Oil #4	0.0130	1.3079	30.79%	1.6332
403	Electricity #3, 82,000 KWH	0.2341	1.1233	12.33%	0.0000
405	Gas #2, 65,000 therms	0.0277	1.2639	26.39%	0.0000
406	Gas #3, 214,000 therms	0.1209	1.2808	28.08%	0.0000
407	Steam #1, 1.2m lbs	0.0003	1.1995	19.95%	0.0000
	FUEL	**0.1231**	**1.1806**	**18.06%**	**0.5524**
401	Electricity #1, 2,500 KWH	0.1467	0.8754	-12.46%	0.0000
402	Electricity #2, 15,000 KWH	0.1369	0.9765	-2.35%	0.0000
404	Gas #1, 12,000 therms	0.0704	1.0603	6.03%	0.0000
410	Water & Sewer	0.6460	1.0000	0.00%	0.0000
	UTILITIES	**0.0508**	**0.9827**	**-1.73%**	**0.0000**
501	Repainting	0.1337	1.0228	2.28%	0.5178
502	Plumbing, Faucet	0.0529	1.0351	3.51%	1.3833
503	Plumbing, Stoppage	0.0497	1.0673	6.73%	2.1684
504	Elevator #1, 6 fl., 1 e.	0.0231	1.0333	3.33%	0.7999
505	Elevator #2, 13 fl., 2 e.	0.0197	1.0336	3.36%	0.8451
506	Elevator #3, 19 fl., 3 e.	0.0180	1.0339	3.39%	0.9415
507	Burner Repair	0.0172	1.0289	2.89%	1.5007
508	Boiler Repair, Tube	0.0193	1.0104	1.04%	1.0383
509	Boiler Repair, Weld	0.0201	1.0105	1.05%	1.2965
511	Range Repair	0.0833	1.0058	0.58%	0.4505
512	Roof Repair	0.0217	1.0105	1.05%	0.6163
513	Air Conditioner Repair	0.0245	1.0043	0.43%	0.2917
514	Floor Maint. #1, Studio	0.0005	1.0287	2.87%	1.6040
515	Floor Maint. #2, 1 Br.	0.0010	1.0288	2.88%	1.6079
516	Floor Maint. #3, 2 Br.	0.0087	1.0297	2.97%	1.6729

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Expenditure Weights	Price Relative	% Change	Standard Error
518	Linen/Laundry Service	0.1182	1.0164	1.64%	1.7485
801	Light Bulbs	0.0048	0.9640	-3.60%	4.3704
802	Light Switch	0.0049	1.0303	3.03%	1.8700
803	Wet Mop	0.0139	0.9887	-1.13%	3.5342
804	Floor Wax	0.0159	1.0477	4.77%	2.6503
805	Paint	0.0426	0.9822	-1.78%	1.8541
806	Pushbroom	0.0110	1.0354	3.54%	6.2914
807	Detergent	0.0145	1.0105	1.05%	2.4528
808	Bucket	0.0174	1.0045	0.45%	2.6427
809	Washers	0.0142	0.9813	-1.87%	3.3134
810	Linens	0.0581	0.9787	-2.13%	3.7493
811	Pine Disinfectant	0.0076	1.0173	1.73%	6.4891
812	Window/Glass Cleaner	0.0076	1.0431	4.31%	6.6292
813	Switch Plate	0.0168	0.9824	-1.76%	2.2897
814	Duplex Receptacle	0.0113	1.0076	0.76%	1.1962
815	Toilet Seat	0.0161	0.9890	-1.10%	2.1810
816	Deck Faucet	0.0201	1.0024	0.24%	2.2358
901	Refrigerator #1	0.0025	0.9902	-0.98%	0.8080
902	Refrigerator #2	0.0118	1.0177	1.77%	1.2389
903	Air Conditioner #1	0.0073	0.9923	-0.77%	0.4462
904	Air Conditioner #2	0.0089	0.9988	-0.12%	0.6848
907	Range #1	0.0012	1.0160	1.60%	1.2285
908	Range #2	0.0049	1.0332	3.32%	1.3912
909	Carpet	0.0398	0.9798	-2.02%	1.7390
910	Dresser	0.0191	1.0020	0.20%	1.3617
911	Mattress & Box Spring	0.0163	1.0105	1.05%	0.5202
	MAINTENANCE	**0.1213**	**1.0130**	**1.30%**	**0.0764**
601	Management Fees	0.5507	1.0409	4.09%	1.1585
602	Accountant Fees	0.0603	1.0351	3.51%	1.3516
603	Attorney Fees	0.0862	1.0397	3.97%	1.7111
604	Newspaper Ads	0.0859	1.0026	0.26%	0.2429
607	Envelopes	0.0055	1.0174	1.74%	0.9897
608	P.O. Box	0.0057	1.0207	2.07%	0.2286
609	Copy Paper	0.0057	1.0040	0.40%	4.7799
409	Communications*	0.2001	0.9882	-1.18%	0.0000
	ADMINISTRATIVE COSTS	**0.0973**	**1.0262**	**2.62%**	**0.6608**
701	INSURANCE COSTS	**0.0457**	**1.0800**	**8.00%**	**1.4666**
	ALL ITEMS	**1.0000**	**1.0625**	**6.25%**	**0.3592**

*Spec 409, "Communications," was labeled as "Telephone" in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

B.8 Expenditure Weights and Price Relatives, Lofts, 2017

Spec #	Item Description	Weights	Price Relative
101	TAXES	**0.3172**	**7.77%**
201	Payroll, Bronx, All	0.0000	2.52%
202	Payroll, Other, Union, Supts.	0.2361	2.37%
203	Payroll, Other, Union, Other	0.0000	2.44%
204	Payroll, Other, Non-Union, All	0.5437	5.59%
205	Social Security Insurance	0.0402	3.71%
206	Unemployment Insurance	0.0054	-14.40%
207	Private Health & Welfare	0.1746	5.79%
	LABOR COSTS	**0.0896**	**4.68%**
301	Fuel Oil #2	0.3170	17.62%
302	Fuel Oil #4	0.5251	30.79%
403	Electricity #3, 82,000 KWH	0.0000	12.33%
405	Gas #2, 65,000 therms	0.0362	26.39%
406	Gas #3, 214,000 therms	0.0973	28.08%
407	Steam #1, 1.2m lbs	0.0189	19.95%
408	Steam #2, 2.6m lbs	0.0057	22.16%
	FUEL	**0.0603**	**25.9%**
401	Electricity #1, 2,500 KWH	0.0089	-12.46%
402	Electricity #2, 15,000 KWH	0.0991	-2.35%
404	Gas #1, 12,000 therms	0.0028	6.03%
410	Water & Sewer	0.8892	0.00%
	UTILITIES	**0.0712**	**-0.33%**
501	Repainting	0.2772	2.28%
502	Plumbing, Faucet	0.0967	3.51%
503	Plumbing, Stoppage	0.0857	6.73%
504	Elevator #1, 6 fl., 1 e.	0.0390	3.33%
505	Elevator #2, 13 fl., 2 e.	0.0242	3.36%
506	Elevator #3, 19 fl., 3 e.	0.0135	3.39%
507	Burner Repair	0.0271	2.89%
508	Boiler Repair, Tube	0.0338	1.04%
509	Boiler Repair, Weld	0.0298	1.05%
510	Refrigerator Repair	0.0091	1.87%
511	Range Repair	0.0082	0.58%
512	Roof Repair	0.0555	1.05%
513	Air Conditioner Repair	0.0055	0.43%
514	Floor Maint. #1, Studio	0.0002	2.87%
515	Floor Maint. #2, 1 Br.	0.0003	2.88%
516	Floor Maint. #3, 2 Br.	0.0026	2.97%

(CONTINUED, TOP RIGHT)

Spec #	Item Description	Weights	Price Relative
801	Light Bulbs	0.0061	3.03%
802	Light Switch	0.0068	-1.13%
803	Wet Mop	0.0062	4.77%
804	Floor Wax	0.0067	-1.78%
805	Paint	0.0404	3.54%
806	Pushbroom	0.0050	1.05%
807	Detergent	0.0056	0.45%
808	Bucket	0.0074	-1.87%
809	Washers	0.0148	-2.13%
811	Pine Disinfectant	0.0102	4.31%
812	Window/Glass Cleaner	0.0103	-1.76%
813	Switch Plate	0.0074	0.76%
814	Duplex Receptacle	0.0049	-1.10%
815	Toilet Seat	0.0169	0.24%
816	Deck Faucet	0.0210	-0.98%
901	Refrigerator #1	0.0117	1.77%
902	Refrigerator #2	0.0563	-0.77%
903	Air Conditioner #1	0.0021	-0.12%
904	Air Conditioner #2	0.0027	0.69%
905	Floor Runner	0.0108	-1.92%
906	Dishwasher	0.0062	1.60%
907	Range #1	0.0063	3.32%
908	Range #2	0.0258	-2.02%
	MAINTENANCE	**0.0955**	**2.12%**
	ADMINISTRATIVE COSTS - LEGAL	**0.0635**	**3.97%**
601	Management Fees	0.8337	4.09%
602	Accountant Fees	0.1309	3.51%
604	Newspaper Ads	0.0096	0.26%
607	Envelopes	0.0062	1.74%
608	P.O. Box	0.0064	2.07%
609	Copy Paper	0.0064	0.40%
409	Communications*	0.0067	-1.18%
	ADMINISTRATIVE COSTS - OTHER	**0.0945**	**3.89%**
701	INSURANCE COSTS	**0.2083**	**8.00%**
	ALL ITEMS	**1.0000**	**6.91%**

*Spec 409, "Communications," was labeled as "Telephone" in PIOCs prior to 2015, and included only the cost of landline telephone service. It now includes the cost of internet, cell, and landline phone service.

C.1 Average Operating & Maintenance Cost in 2015 per Apartment per Month by Building Size and Location, Structures Built Before 1947

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$254**	**$86**	**$90**	**$77**	**$27**	**$169**	**$121**	**$52**	**$40**	**$916**
11-19 units	$313	$82	$98	$78	$30	$182	$138	$57	$57	$1,036
20-99 units	$225	$74	$91	$78	$25	$164	$115	$52	$38	$863
100+ units	$423	$205	$67	$66	$36	$183	$144	$45	$30	$1,198
Bronx	$128	$70	$103	$85	$27	$153	$99	$57	$20	$743
11-19 units	$128	$82	$115	$92	$36	$158	$108	$62	$27	$807
20-99 units	$128	$69	$103	$85	$27	$152	$98	$56	$20	$739
100+ units	$131	$92	$93	$80	$22	$174	$104	$51	$9	$755
Brooklyn	$184	$62	$73	$77	$21	$152	$98	$48	$36	$751
11-19 units	$206	$62	$83	$76	$24	$167	$109	$51	$36	$814
20-99 units	$177	$58	$73	$78	$21	$150	$96	$48	$37	$738
100+ units	$210	$98	$58	$73	$22	$136	$94	$42	$27	$761
Manhattan	$429	$125	$95	$73	$32	$203	$169	$54	$63	$1,243
11-19 units	$466	$103	$105	$80	$36	$212	$189	$63	$91	$1,345
20-99 units	$377	$97	$97	$74	$28	$198	$159	$52	$61	$1,142
100+ units	$667	$317	$66	$56	$53	$214	$196	$46	$28	$1,644
Queens	$232	$73	$82	$67	$22	$149	$93	$44	$35	$797
11-19 units	$215	$59	$98	$64	$21	$143	$71	$46	$24	$741
20-99 units	$232	$69	$82	$68	$23	$148	$98	$44	$34	$797
100+ units	$255	$120	$57	$69	$19	$159	$93	$41	$60	$873
Core Man	$587	$149	$80	$64	$35	$213	$193	$53	$63	$1,438
11-19 units	$569	$100	$94	$76	$34	$220	$201	$64	$88	$1,445
20-99 units	$542	$105	$79	$61	$28	$206	$184	$52	$67	$1,324
100+ units	$743	$347	$64	$55	$58	$226	$208	$45	$17	$1,762
Upper Man	$245	$95	$111	$84	$29	$190	$141	$54	$63	$1,013
11-19 units	$255	$108	$127	$89	$39	$197	$164	$62	$97	$1,137
20-99 units	$242	$90	$111	$85	$28	$191	$138	$53	$56	$993
100+ units	$275	$160	$78	$64	$31	$150	$132	$51	$78	$1,017
City w/o Core	$183	$73	$92	$80	$25	$159	$106	$52	$35	$803
11-19 units	$205	$74	$100	$79	$28	$166	$112	$54	$44	$863
20-99 units	$177	$70	$93	$81	$25	$158	$105	$52	$34	$793
100+ units	$213	$110	$68	$72	$22	$152	$101	$45	$39	$822

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Pre-47 rent stabilized buildings in Staten Island was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.2 Average Operating & Maintenance Cost in 2015 per Apartment per Month by Building Size and Location, Structures Built After 1946

	Taxes	Labor	Fuel	Water/Sewer	Light & Power	Maint.	Admin.	Insurance	Misc.	Total
Citywide	**$329**	**$161**	**$66**	**$68**	**$38**	**$175**	**$145**	**$44**	**$50**	**$1,077**
11-19 units	$169	$82	$58	$61	$42	$174	$122	$46	$42	$795
20-99 units	$229	$96	$67	$70	$32	$158	$119	$46	$40	$857
100+ units	$435	$228	$66	$65	$43	$190	$171	$41	$60	$1,299
Bronx	$133	$98	$83	$81	$41	$139	$118	$45	$18	$756
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$133	$85	$86	$81	$39	$141	$105	$48	$18	$735
100+ units	$135	$124	$77	$80	$45	$136	$141	$39	$19	$796
Brooklyn	$194	$99	$53	$67	$31	$162	$117	$47	$52	$821
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$198	$85	$55	$68	$28	$159	$118	$49	$41	$801
100+ units	$188	$132	$48	$66	$37	$146	$113	$41	$81	$853
Manhattan	$716	$316	$73	$57	$54	$234	$230	$47	$63	$1,790
11-19 units	$295	$101	$81	$67	$74	$220	$190	$54	$195	$1,277
20-99 units	$484	$144	$68	$56	$39	$204	$179	$47	$81	$1,302
100+ units	$782	$365	$74	$57	$57	$242	$243	$46	$56	$1,923
Queens	$244	$122	$62	$69	$31	$155	$116	$38	$58	$895
11-19 units	$167	$83	$56	$56	$48	$121	$107	$42	$55	$736
20-99 units	$241	$97	$66	$71	$29	$152	$106	$41	$40	$843
100+ units	$257	$150	$59	$69	$30	$161	$126	$35	$74	$960
St. Island	$186	$121	$59	$59	$23	$182	$110	$39	$5	$784
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$145	$84	$55	$68	$32	$164	$112	$53	$17	$730
100+ units	-	-	-	-	-	-	-	-	-	-
Core Man	$826	$351	$73	$56	$55	$243	$245	$48	$68	$1,966
11-19 units	$542	$111	$79	$74	$56	$244	$184	$54	$81	$1,425
20-99 units	$597	$159	$63	$51	$37	$217	$196	$47	$70	$1,437
100+ units	$880	$396	$75	$57	$60	$249	$256	$49	$68	$2,090
Upper Man	$256	$170	$72	$62	$46	$191	$163	$39	$40	$1,038
11-19 units	-	-	-	-	-	-	-	-	-	-
20-99 units	$210	$106	$76	$68	$43	$169	$134	$46	$103	$954
100+ units	-	-	-	-	-	-	-	-	-	-
City w/o Core	$205	$113	$64	$70	$34	$157	$119	$42	$45	$849
11-19 units	$164	$81	$57	$61	$42	$173	$121	$46	$42	$786
20-99 units	$196	$90	$67	$72	$32	$152	$111	$46	$37	$803
100+ units	$221	$146	$61	$68	$35	$159	$129	$37	$56	$913

Notes: The sum of the lines may not equal the total due to rounding. Totals in this table may not match those in Appendix Table 3 due to rounding. Data in this table is NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The category "Utilities" used in the I&E Study is the sum of "Water & Sewer" and "Light & Power." The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. Owners are not required to report tax expenses; therefore, tax figures used in this report were calculated by the NYC Dept. of Finance.

Source: NYC Department of Finance, RPIE Filings.

C.3 Average Rent, Income and Costs in 2015 per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,526**	**$1,727**	**$1,077**	**$1,246**	**$1,414**	**$916**	**$1,323**	**$1,500**	**$960**
11-19 units	$1,339	$1,472	$795	$1,332	$1,615	$1,036	$1,333	$1,599	$1,010
20-99 units	$1,239	$1,352	$857	$1,183	$1,319	$863	$1,193	$1,325	$862
100+ units	$1,801	$2,086	$1,299	$1,665	$1,950	$1,198	$1,758	$2,043	$1,267
Bronx	$1,059	$1,167	$756	$937	$1,051	$743	$958	$1,072	$745
11-19 units	-	-	-	$910	$1,073	$807	$913	$1,077	$804
20-99 units	$1,035	$1,111	$735	$934	$1,046	$739	$944	$1,052	$738
100+ units	$1,108	$1,270	$796	$1,040	$1,141	$755	$1,072	$1,202	$774
Brooklyn	$1,192	$1,301	$821	$1,095	$1,164	$751	$1,121	$1,199	$770
11-19 units	-	-	-	$1,141	$1,238	$814	$1,152	$1,250	$816
20-99 units	$1,168	$1,266	$801	$1,075	$1,137	$738	$1,084	$1,150	$745
100+ units	$1,179	$1,300	$853	$1,207	$1,280	$761	$1,189	$1,293	$819
Manhattan	$2,521	$3,004	$1,790	$1,658	$1,993	$1,243	$1,852	$2,220	$1,365
11-19 units	$1,665	$2,115	$1,277	$1,657	$2,172	$1,345	$1,657	$2,171	$1,344
20-99 units	$1,927	$2,227	$1,302	$1,563	$1,819	$1,142	$1,592	$1,852	$1,155
100+ units	$2,686	$3,217	$1,923	$2,181	$2,690	$1,644	$2,505	$3,028	$1,823
Queens	$1,270	$1,371	$895	$1,185	$1,245	$797	$1,228	$1,309	$847
11-19 units	$1,300	$1,388	$736	$1,076	$1,132	$741	$1,102	$1,161	$740
20-99 units	$1,211	$1,299	$843	$1,190	$1,248	$797	$1,196	$1,262	$809
100+ units	$1,317	$1,431	$960	$1,308	$1,389	$873	$1,315	$1,421	$939
St. Island	$1,052	$1,181	$784	-	-	-	$1,055	$1,169	$771
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$1,068	$1,194	$730	-	-	-	$1,074	$1,189	$733
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,765	$3,303	$1,966	$1,977	$2,428	$1,438	$2,215	$2,693	$1,597
11-19 units	$1,841	$2,377	$1,425	$1,797	$2,423	$1,445	$1,798	$2,422	$1,445
20-99 units	$2,150	$2,485	$1,437	$1,925	$2,266	$1,324	$1,940	$2,281	$1,331
100+ units	$2,910	$3,495	$2,090	$2,339	$2,910	$1,762	$2,695	$3,274	$1,966
Upper Man	$1,484	$1,727	$1,038	$1,282	$1,480	$1,013	$1,304	$1,507	$1,015
11-19 units	-	-	-	$1,365	$1,650	$1,137	$1,370	$1,657	$1,137
20-99 units	$1,349	$1,560	$954	$1,266	$1,452	$993	$1,268	$1,455	$992
100+ units	-	-	-	$1,343	$1,520	$1,017	$1,412	$1,615	$1,037
City w/o Core	$1,209	$1,323	$849	$1,109	$1,191	$783	$1,136	$1,227	$800
11-19 units	$1,332	$1,459	$786	$1,081	$1,166	$775	$1,118	$1,209	$776
20-99 units	$1,155	$1,249	$803	$1,085	$1,162	$767	$1,098	$1,179	$774
100+ units	$1,259	$1,398	$913	$1,236	$1,325	$832	$1,253	$1,376	$889

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.4 Median Rent, Income and Costs in 2015 per Apartment per Month by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**$1,227**	**$1,322**	**$862**	**$1,128**	**$1,227**	**$830**	**$1,142**	**$1,240**	**$834**
11-19 units	$1,328	$1,439	$810	$1,240	$1,428	$960	$1,241	$1,431	$953
20-99 units	$1,159	$1,230	$795	$1,095	$1,178	$795	$1,102	$1,184	$795
100+ units	$1,338	$1,469	$1,026	$1,248	$1,349	$865	$1,311	$1,434	$969
Bronx	$1,024	$1,077	$705	$925	$1,015	$713	$934	$1,021	$712
11-19 units	-	-	-	$870	$1,025	$756	$873	$1,025	$754
20-99 units	$1,015	$1,061	$701	$927	$1,011	$706	$933	$1,015	$705
100+ units	$1,081	$1,182	$712	$1,033	$1,156	$739	$1,051	$1,159	$732
Brooklyn	$1,141	$1,226	$774	$1,048	$1,103	$716	$1,058	$1,115	$721
11-19 units	-	-	-	$1,070	$1,150	$762	$1,073	$1,152	$762
20-99 units	$1,130	$1,197	$747	$1,041	$1,090	$706	$1,049	$1,099	$709
100+ units	$1,154	$1,280	$835	$1,155	$1,242	$685	$1,154	$1,254	$801
Manhattan	$2,114	$2,501	$1,500	$1,550	$1,786	$1,105	$1,583	$1,826	$1,123
11-19 units	$1,614	$1,984	$1,226	$1,614	$2,019	$1,245	$1,614	$2,018	$1,245
20-99 units	$1,866	$2,072	$1,154	$1,493	$1,662	$1,043	$1,516	$1,686	$1,050
100+ units	$2,774	$3,187	$1,847	$1,957	$2,410	$1,482	$2,471	$2,874	$1,687
Queens	$1,232	$1,326	$851	$1,165	$1,199	$752	$1,188	$1,233	$783
11-19 units	$1,229	$1,328	$717	$1,096	$1,127	$704	$1,107	$1,137	$704
20-99 units	$1,203	$1,258	$821	$1,192	$1,227	$760	$1,195	$1,232	$778
100+ units	$1,303	$1,398	$945	$1,288	$1,341	$841	$1,298	$1,395	$908
St. Island	$982	$1,085	$693	-	-	-	$1,013	$1,103	$666
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	$952	$1,039	$632	-	-	-	$999	$1,055	$662
100+ units	-	-	-	-	-	-	-	-	-
Core Man	$2,406	$2,773	$1,671	$1,793	$2,115	$1,243	$1,825	$2,157	$1,269
11-19 units	$1,695	$2,151	$1,297	$1,708	$2,176	$1,310	$1,708	$2,174	$1,310
20-99 units	$2,044	$2,208	$1,310	$1,821	$2,045	$1,180	$1,834	$2,062	$1,187
100+ units	$2,950	$3,346	$1,968	$2,363	$2,826	$1,655	$2,741	$3,184	$1,876
Upper Man	$1,326	$1,430	$881	$1,163	$1,309	$908	$1,170	$1,319	$907
11-19 units	-	-	-	$1,189	$1,424	$1,033	$1,194	$1,425	$1,026
20-99 units	$1,252	$1,337	$794	$1,161	$1,292	$891	$1,162	$1,294	$888
100+ units	-	-	-	$1,138	$1,298	$913	$1,305	$1,459	$957
City w/o Core	$1,155	$1,232	$792	$1,035	$1,113	$750	$1,051	$1,128	$755
11-19 units	$1,188	$1,318	$702	$1,057	$1,146	$784	$1,063	$1,149	$781
20-99 units	$1,117	$1,180	$761	$1,026	$1,101	$742	$1,037	$1,110	$744
100+ units	$1,236	$1,335	$879	$1,145	$1,215	$769	$1,202	$1,291	$837

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.5 Average Net Operating Income in 2015 per Apartment per Month by Building Size and Location

	Post-46	Pre-47	All
Citywide	**$650**	**$498**	**$540**
11-19 units	$677	$579	$590
20-99 units	$496	$455	$463
100+ units	$787	$752	$776
Bronx	$411	$308	$326
11-19 units	-	$266	$273
20-99 units	$376	$307	$314
100+ units	$474	$386	$428
Brooklyn	$480	$412	$430
11-19 units	-	$424	$434
20-99 units	$465	$399	$405
100+ units	$447	$519	$474
Manhattan	$1,214	$751	$855
11-19 units	$838	$827	$827
20-99 units	$925	$677	$697
100+ units	$1,293	$1,046	$1,205
Queens	$476	$449	$463
11-19 units	$652	$391	$421
20-99 units	$456	$451	$453
100+ units	$471	$516	$482
St. Island	$396	-	$397
11-19 units	-	-	-
20-99 units	$464	-	$456
100+ units	-	-	-

	Post-46	Pre-47	All
Core Man	$1,337	$991	$1,095
11-19 units	$952	$978	$977
20-99 units	$1,048	$942	$950
100+ units	$1,405	$1,148	$1,308
Upper Man	$689	$468	$492
11-19 units	-	$513	$520
20-99 units	$606	$459	$463
100+ units	-	$503	$578
City w/o Core	$475	$409	$426
11-19 units	$673	$391	$433
20-99 units	$445	$396	$405
100+ units	$485	$493	$487

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan; as well as 100+ unit buildings on Staten Island and Upper Manhattan, was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings of all sizes in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.6 Distribution of Operating Costs in 2015, by Building Size and Age

	Taxes	Maint.	Labor	Admin.	Utilities	Fuel	Misc.	Insurance	Total
Pre-47	27.8%	18.4%	9.4%	13.2%	11.3%	9.8%	4.4%	5.7%	100.0%
11-19 units	30.2%	17.6%	7.9%	13.4%	10.4%	9.5%	5.5%	5.5%	100.0%
20-99 units	26.1%	19.0%	8.6%	13.4%	11.9%	10.5%	4.4%	6.0%	100.0%
100+ units	35.3%	15.2%	17.1%	12.0%	8.5%	5.6%	2.5%	3.8%	100.0%
Post-46	30.6%	16.3%	14.9%	13.5%	9.8%	6.2%	4.7%	4.1%	100.0%
11-19 units	21.3%	21.9%	10.3%	15.3%	12.9%	7.2%	5.3%	5.8%	100.0%
20-99 units	26.8%	18.4%	11.2%	13.8%	12.0%	7.8%	4.6%	5.4%	100.0%
100+ units	33.5%	14.6%	17.5%	13.2%	8.3%	5.1%	4.6%	3.2%	100.0%
All Bldgs.	28.6%	17.7%	11.1%	13.3%	10.9%	8.7%	4.5%	5.2%	100.0%
11-19 units	29.4%	18.0%	8.1%	13.5%	10.6%	9.3%	5.5%	5.5%	100.0%
20-99 units	26.2%	18.9%	9.1%	13.5%	12.0%	10.0%	4.4%	5.9%	100.0%
100+ units	34.0%	14.8%	17.4%	12.8%	8.4%	5.2%	4.0%	3.3%	100.0%

Source: NYC Department of Finance, RPIE Filings.

C.7 Number of "Distressed" Buildings in 2015

	Citywide	Bronx	Brooklyn	Manhattan	Queens	St. Island	Core Man	Upper Man
Pre-47								
11-19 units	317	46	63	177	30	1	95	82
20-99 units	443	123	68	213	39	0	79	134
100+ units	5	1	0	4	0	0	0	4
All	**765**	**170**	**131**	**394**	**69**	**1**	**174**	**220**
Post-46								
11-19 units	4	1	0	3	0	0	2	1
20-99 units	36	9	5	6	16	0	2	4
100+ units	17	2	2	9	3	1	8	1
All	**57**	**12**	**7**	**18**	**19**	**1**	**12**	**6**
All Bldgs.								
11-19 units	321	47	63	180	30	1	97	83
20-99 units	479	132	73	219	55	0	81	138
100+ units	22	3	2	13	3	1	8	5
All	**822**	**182**	**138**	**412**	**88**	**2**	**186**	**226**

Source: NYC Department of Finance, RPIE Filings.

C.8 Operating Cost-to-Income Ratios by Decile in 2015

	# of Bldgs	10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
Citywide	**15,315**	**0.48**	**0.53**	**0.57**	**0.61**	**0.64**	**0.68**	**0.73**	**0.79**	**0.9**	**6.81**
Manhattan	6,364	0.46	0.51	0.54	0.58	0.61	0.66	0.71	0.78	0.92	6.81
Bronx	3,264	0.53	0.59	0.63	0.67	0.7	0.74	0.78	0.84	0.93	2.18
Brooklyn	3,555	0.49	0.54	0.58	0.62	0.65	0.68	0.72	0.77	0.87	2.79
Queens	2,051	0.48	0.53	0.57	0.61	0.64	0.67	0.71	0.77	0.86	3.22
St. Island	81	0.48	0.53	0.57	0.60	0.62	0.68	0.72	0.77	0.82	1.11

Source: NYC Department of Finance, RPIE Filings.

C.9 Number of Buildings and Dwelling Units in 2015 by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,905**	**198,154**	**13,410**	**500,392**	**15,315**	**698,546**
11-19 units	151	2,246	3,561	53,947	3,712	56,193
20-99 units	1,133	64,404	9,467	377,513	10,600	441,917
100+ units	621	131,504	382	68,932	1,003	200,436
Bronx	352	28,758	2,912	126,360	3,264	155,118
11-19 units	13	199	340	5,197	353	5,396
20-99 units	269	15,727	2,494	110,523	2,763	126,250
100+ units	70	12,832	78	10,640	148	23,472
Brooklyn	400	37,513	3,155	115,124	3,555	152,637
11-19 units	28	423	864	13,007	892	13,430
20-99 units	257	15,885	2,224	94,098	2,481	109,983
100+ units	115	21,205	67	8,019	182	29,224
Manhattan	484	68,968	5,880	200,310	6,364	269,278
11-19 units	54	814	1,960	29,600	2,014	30,414
20-99 units	206	10,534	3,750	130,492	3,956	141,026
100+ units	224	57,620	170	40,218	394	97,838
Queens	611	58,671	1,440	57,415	2,051	116,086
11-19 units	49	716	386	5,970	435	6,686
20-99 units	364	20,751	991	42,030	1,355	62,781
100+ units	198	37,204	63	9,415	261	46,619
St. Island	58	4,244	23	1,183	81	5,427
11-19 units	7	94	11	173	18	267
20-99 units	37	1,507	8	370	45	1,877
100+ units	14	2,643	4	640	18	3,283
Core Man	387	59,318	3,653	119,513	4,040	178,831
11-19 units	40	614	1,482	22,390	1,522	23,004
20-99 units	149	7,481	2,051	64,225	2,200	71,706
100+ units	198	51,223	120	32,898	318	84,121
Upper Man	97	9,650	2,227	80,797	2,324	90,447
11-19 units	14	200	478	7,210	492	7,410
20-99 units	57	3,053	1,699	66,267	1,756	69,320
100+ units	26	6,397	50	7,320	76	13,717

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit

C.10 Longitudinal Income and Expense Study, Estimated Average Rent, Income and Costs Changes (2014-2015) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**3.8%**	**3.9%**	**1.5%**	**4.7%**	**4.6%**	**0.8%**	**4.4%**	**4.4%**	**1.1%**
11-19 units	1.3%	1.1%	-2.7%	5.8%	5.4%	2.7%	5.3%	5.0%	2.2%
20-99 units	4.5%	4.5%	1.0%	4.6%	4.5%	0.5%	4.6%	4.5%	0.6%
100+ units	3.6%	3.7%	2.1%	4.4%	4.5%	0.8%	3.8%	4.0%	1.7%
Bronx	3.6%	3.2%	-1.8%	3.7%	3.7%	-2.1%	3.7%	3.6%	-2.0%
11-19 units	-	-	-	5.9%	5.0%	-0.2%	5.0%	4.2%	-1.2%
20-99 units	4.0%	3.6%	-0.5%	3.5%	3.5%	-2.3%	3.6%	3.5%	-2.1%
100+ units	3.5%	3.0%	-3.3%	4.9%	5.3%	-0.4%	4.0%	3.8%	-2.3%
Brooklyn	3.6%	4.1%	0.7%	4.3%	4.3%	1.9%	4.1%	4.2%	1.5%
11-19 units	-	-	-	5.2%	4.9%	1.5%	3.7%	3.8%	0.3%
20-99 units	4.0%	4.0%	-1.4%	4.5%	4.5%	2.2%	4.3%	4.4%	1.3%
100+ units	4.8%	5.8%	7.2%	1.2%	1.1%	-0.9%	3.2%	3.8%	3.8%
Manhattan	3.8%	3.8%	2.6%	5.7%	5.4%	1.9%	5.1%	4.9%	2.1%
11-19 units	4.0%	3.7%	2.0%	6.5%	6.0%	4.0%	6.5%	5.9%	4.0%
20-99 units	6.9%	6.3%	3.7%	5.6%	5.2%	1.4%	5.8%	5.3%	1.6%
100+ units	3.2%	3.3%	2.5%	5.4%	5.5%	1.6%	3.9%	4.0%	2.2%
Queens	4.2%	4.4%	1.7%	3.8%	3.8%	0.9%	4.0%	4.1%	1.4%
11-19 units	5.8%	4.2%	1.2%	3.5%	3.6%	1.1%	4.2%	3.8%	1.1%
20-99 units	4.1%	4.6%	2.9%	3.9%	3.9%	1.1%	4.0%	4.2%	1.8%
100+ units	4.1%	4.3%	0.9%	3.3%	3.4%	-0.5%	3.9%	4.1%	0.6%
Staten Island	3.3%	3.2%	3.1%	-	-	-	3.5%	3.5%	0.6%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	4.0%	5.3%	-4.8%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	3.9%	3.9%	2.7%	5.6%	5.4%	3.1%	5.0%	4.9%	2.9%
11-19 units	5.6%	5.9%	-0.4%	6.3%	5.6%	4.7%	6.2%	5.6%	4.6%
20-99 units	8.1%	7.6%	3.9%	5.4%	5.2%	3.0%	5.7%	5.5%	3.1%
100+ units	3.3%	3.3%	2.5%	5.5%	5.7%	1.9%	4.0%	4.1%	2.3%
Upper Manhattan	2.7%	2.6%	2.2%	6.0%	5.4%	0.1%	5.6%	5.0%	0.3%
11-19 units	-	-	-	7.2%	7.1%	2.2%	7.2%	7.0%	2.2%
20-99 units	2.6%	1.7%	2.9%	5.9%	5.2%	-0.2%	5.8%	5.0%	-0.1%
100+ units	-	-	-	4.0%	3.6%	-1.0%	3.2%	3.2%	0.8%
All City w/o Core	3.8%	3.9%	0.9%	4.4%	4.3%	0.0%	4.2%	4.2%	0.2%
11-19 units	1.2%	1.0%	-2.7%	5.4%	5.2%	1.3%	4.7%	4.6%	0.8%
20-99 units	3.9%	4.0%	0.5%	4.4%	4.2%	-0.2%	4.3%	4.2%	0.0%
100+ units	3.9%	4.1%	1.7%	2.9%	2.9%	-0.7%	3.6%	3.8%	1.0%

Notes: City, borough totals and building size categories are weighted. Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.11 Longitudinal Income and Expense Study, Estimated Median Rent, Income and Costs Changes (2014-2015) by Building Size and Location

	Post-46			Pre-47			All		
	Rent	Income	Costs	Rent	Income	Costs	Rent	Income	Costs
Citywide	**3.7%**	**3.3%**	**1.7%**	**4.7%**	**4.6%**	**1.1%**	**4.5%**	**4.4%**	**1.1%**
11-19 units	0.4%	4.6%	1.2%	5.0%	4.9%	1.7%	5.0%	4.6%	1.3%
20-99 units	3.6%	4.3%	0.8%	4.0%	4.0%	0.4%	4.0%	4.2%	0.5%
100+ units	3.2%	3.3%	0.8%	4.4%	3.7%	1.2%	3.1%	3.6%	1.4%
Bronx	3.8%	3.3%	0.6%	3.5%	3.9%	-3.0%	3.7%	3.8%	-2.8%
11-19 units	-	-	-	4.1%	7.5%	-1.7%	4.2%	7.5%	-2.1%
20-99 units	3.7%	3.5%	1.7%	3.4%	3.7%	-3.4%	3.6%	3.5%	-3.0%
100+ units	3.5%	3.7%	-0.6%	4.9%	5.4%	-1.8%	3.6%	4.2%	-3.7%
Brooklyn	4.2%	5.0%	2.0%	4.1%	4.7%	2.7%	4.1%	4.7%	2.6%
11-19 units	-	-	-	4.9%	6.8%	1.9%	4.9%	6.6%	1.7%
20-99 units	3.4%	5.0%	-0.3%	4.8%	4.3%	3.5%	4.4%	4.3%	3.4%
100+ units	3.4%	3.2%	6.5%	4.5%	4.0%	2.4%	3.6%	3.2%	6.8%
Manhattan	4.8%	5.5%	3.6%	6.0%	5.7%	1.5%	5.7%	5.3%	1.4%
11-19 units	1.8%	2.7%	2.0%	5.5%	5.9%	4.1%	5.4%	5.5%	3.9%
20-99 units	5.1%	5.0%	3.7%	5.4%	5.3%	1.5%	5.7%	5.4%	1.6%
100+ units	3.5%	2.8%	3.1%	5.1%	4.3%	4.2%	3.5%	3.0%	1.3%
Queens	3.1%	3.0%	1.7%	4.1%	3.9%	0.9%	4.0%	4.3%	1.3%
11-19 units	6.4%	1.9%	1.3%	4.0%	4.2%	1.4%	4.2%	4.4%	1.6%
20-99 units	2.9%	1.7%	2.3%	4.5%	4.5%	0.7%	4.6%	4.3%	1.0%
100+ units	2.7%	3.7%	0.6%	5.0%	4.6%	1.1%	3.5%	3.5%	0.2%
Staten Island	3.6%	2.3%	7.7%	-	-	-	5.7%	3.8%	1.7%
11-19 units	-	-	-	-	-	-	-	-	-
20-99 units	-	-	-	-	-	-	2.1%	1.0%	-0.4%
100+ units	-	-	-	-	-	-	-	-	-
Core Manhattan	4.5%	3.0%	5.1%	5.7%	5.3%	3.4%	5.4%	5.8%	3.3%
11-19 units	1.5%	8.1%	-3.7%	4.8%	5.2%	3.8%	4.8%	5.0%	3.6%
20-99 units	5.7%	5.0%	8.9%	5.2%	5.8%	2.8%	5.5%	5.5%	2.8%
100+ units	3.6%	3.9%	5.2%	6.5%	3.6%	-1.4%	5.1%	2.8%	2.8%
Upper Manhattan	4.2%	3.8%	0.8%	5.2%	5.5%	0.2%	5.1%	5.7%	0.2%
11-19 units	-	-	-	4.6%	6.3%	2.1%	4.6%	6.1%	2.8%
20-99 units	5.1%	-1.0%	-8.1%	5.5%	5.5%	-0.2%	5.4%	5.3%	-0.3%
100+ units	-	-	-	4.8%	6.4%	0.2%	2.4%	3.9%	-1.2%
All City w/o Core	3.7%	4.2%	1.2%	4.5%	4.3%	0.1%	4.2%	4.2%	0.1%
11-19 units	5.1%	5.1%	-4.4%	4.5%	5.1%	1.7%	4.6%	5.1%	1.7%
20-99 units	3.3%	3.6%	1.5%	4.1%	4.1%	-0.3%	4.3%	4.1%	-0.3%
100+ units	4.4%	3.8%	1.4%	4.1%	3.5%	0.9%	3.2%	4.1%	1.5%

Notes: Cost figures in this table are NOT adjusted for the results of the 1992 NYC Dept. of Finance audit on I&E reported operating costs. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.12 Longitudinal Income and Expense Study, Avg. Net Operating Income Changes (2014-2015) by Bldg. Size & Location

	Post-46	Pre-47	All
Citywide	**8.0%**	**12.2%**	**10.8%**
11-19 units	6.4%	10.6%	10.1%
20-99 units	11.3%	12.8%	12.5%
100+ units	6.4%	11.1%	7.8%
Bronx	13.9%	20.8%	19.2%
11-19 units	-	25.4%	23.0%
20-99 units	12.8%	20.7%	19.4%
100+ units	15.8%	18.4%	16.6%
Brooklyn	10.3%	8.8%	9.2%
11-19 units	-	11.8%	10.6%
20-99 units	14.6%	8.8%	10.2%
100+ units	3.2%	4.2%	3.6%
Manhattan	5.5%	11.6%	9.6%
11-19 units	6.4%	9.4%	9.4%
20-99 units	10.2%	12.1%	11.9%
100+ units	4.6%	12.2%	6.9%
Queens	9.5%	9.3%	9.4%
11-19 units	8.3%	8.6%	8.5%
20-99 units	7.7%	9.1%	8.6%
100+ units	11.1%	10.7%	11.1%
St. Island	3.3%	-	9.7%
11-19 units	-	-	-
20-99 units	-	-	29.6%
100+ units	-	-	-

	Post-46	Pre-47	All
Core Manhattan	5.8%	9.0%	7.8%
11-19 units	17.3%	7.0%	7.1%
20-99 units	12.9%	8.5%	9.1%
100+ units	4.6%	12.1%	6.9%
Upper Manhattan	3.3%	18.6%	16.1%
11-19 units	-	19.9%	19.3%
20-99 units	-0.2%	18.7%	17.4%
100+ units	-	14.1%	7.4%
All City w/o Core	9.7%	14.1%	12.7%
11-19 units	6.2%	14.3%	12.6%
20-99 units	10.9%	14.6%	13.8%
100+ units	8.9%	9.6%	9.1%

Notes: City, borough totals and building size categories are weighted. The number of Post-46 rent stabilized buildings with 11-19 units in the Bronx, Brooklyn, Staten Island and Upper Manhattan, as well as 20-99 and 100+ unit buildings on Staten Island and 100+ units buildings in Upper Manhattan was too small to calculate reliable statistics. In addition, the number of Pre-47 rent stabilized buildings in all categories in Staten Island was too small to calculate reliable statistics.

Source: NYC Department of Finance, RPIE Filings.

C.13 Longitudinal Income and Expense Study, Change in Rent and Net Operating Income by Community District (2014-2015)

CD	Neighborhood	Rent Change	NOI Change
Manhattan			
102	Greenwich Village	6.3%	8.9%
103	Lower East Side/Chinatown	6.9%	12.5%
104	Chelsea/Clinton	7.4%	11.2%
105	Midtown	5.0%	0.6%
106	Stuyvesant Town/Turtle Bay	7.6%	13.2%
107	Upper West Side	5.3%	6.7%
108	Upper East Side	3.7%	5.3%
109	Morningside Hts./Hamilton Hts.	7.2%	16.6%
110	Central Harlem	5.9%	16.3%
111	East Harlem	5.9%	17.9%
112	Washington Hts./Inwood	4.9%	18.2%
Bronx			
201	Mott Haven/Port Morris	4.9%	15.7%
202	Hunts Point/Longwood	3.0%	11.6%
203	Morrisania/Melrose/Claremont	4.9%	12.3%
204	Highbridge/S. Concourse	3.3%	16.2%
205	University Heights/Fordham	3.8%	26.0%
206	E. Tremont/Belmont	3.2%	20.6%
207	Kingsbridge Hts./Mosholu/Norwood	3.5%	23.3%
208	Riverdale/Kingsbridge	4.7%	21.6%
209	Soundview/Parkchester	3.5%	14.2%
210	Throgs Neck/Co-op City	3.5%	11.4%
211	Pelham Parkway	2.5%	17.8%
212	Williamsbridge/Baychester	4.4%	29.0%
Brooklyn			
301	Williamsburg/Greenpoint	7.7%	18.7%
302	Brooklyn Hts./Fort Greene	5.3%	4.1%
303	Bedford Stuyvesant	5.6%	11.1%
304	Bushwick	9.2%	39.3%
305	East New York/Starett City	8.6%	10.7%
306	Park Slope/Carroll Gardens	4.4%	4.9%
307	Sunset Park	5.6%	11.9%
308	North Crown Hts./Prospect Hts.	3.4%	9.2%
309	South Crown Hts.	5.5%	8.7%
310	Bay Ridge	4.3%	7.9%
311	Bensonhurst	3.9%	7.0%
312	Borough Park	3.4%	8.4%
313	Coney Island	4.9%	10.7%
314	Flatbush	3.8%	10.1%
315	Sheepshead Bay/Gravesend	3.8%	8.5%
316	Brownsville/Ocean Hill	2.9%	7.5%
317	East Flatbush	3.0%	9.8%
Queens			
401	Astoria	4.5%	11.1%
402	Sunnyside/Woodside	3.4%	8.8%
403	Jackson Hts.	4.0%	3.0%
404	Elmhurst/Corona	4.1%	9.4%
405	Middle Village/Ridgewood	5.0%	16.5%
406	Forest Hills/Rego Park	3.5%	7.6%
407	Flushing/Whitestone	3.3%	7.1%
408	Hillcrest/Fresh Meadows	3.5%	11.7%
409	Kew Gardens/Woodhaven	3.1%	4.8%
411	Bayside/Little Neck	3.1%	5.0%
412	Jamaica	4.3%	9.5%
414	Rockaways	5.7%	15.4%
Staten Isl.			
501	North Shore	4.1%	17.8%

Note: Six Community Districts (CDs) contained too few buildings to be included in the analysis.
Source: NYC Department of Finance, RPIE Filings.

C.14 Longitudinal Analysis, Number of Buildings and Dwelling Units in 2014 & 2015, by Building Size and Location

	Post-46		Pre-47		All	
	Bldgs.	DU's	Bldgs.	DU's	Bldgs.	DU's
Citywide	**1,671**	**175,295**	**12,372**	**465,721**	**14,043**	**641,016**
11-19 units	115	1,710	3,209	48,722	3,324	50,432
20-99 units	1,023	58,478	8,802	351,703	9,825	410,181
100+ units	533	115,107	361	65,296	894	180,403
Bronx	315	25,137	2,637	115,742	2,952	140,879
11-19 units	11	166	280	4,326	291	4,492
20-99 units	245	14,424	2,285	101,571	2,530	115,995
100+ units	59	10,547	72	9,845	131	20,392
Brooklyn	337	32,764	2,882	106,915	3,219	139,679
11-19 units	14	206	738	11,134	752	11,340
20-99 units	227	14,068	2,084	88,565	2,311	102,633
100+ units	96	18,490	60	7,216	156	25,706
Manhattan	437	62,561	5,484	187,681	5,921	250,242
11-19 units	49	746	1,831	27,666	1,880	28,412
20-99 units	189	9,653	3,490	121,735	3,679	131,388
100+ units	199	52,162	163	38,280	362	90,442
Queens	528	50,754	1,346	54,200	1,874	104,954
11-19 units	35	509	349	5,423	384	5,932
20-99 units	328	18,980	935	39,462	1,263	58,442
100+ units	165	31,265	62	9,315	227	40,580
St. Island	54	4,079	23	1,183	77	5,262
11-19 units	6	83	11	173	17	256
20-99 units	34	1,353	8	370	42	1,723
100+ units	14	2,643	4	640	18	3,283
Core Manhattan	353	53,669	3,482	113,905	3,835	167,574
11-19 units	37	576	1,400	21,146	1,437	21,722
20-99 units	141	7,078	1,966	61,423	2,107	68,501
100+ units	175	46,015	116	31,336	291	77,351
Upper Manhattan	84	8,892	2,002	73,776	2,086	82,668
11-19 units	12	170	431	6,520	443	6,690
20-99 units	48	2,575	1,524	60,312	1,572	62,887
100+ units	24	6,147	47	6,944	71	13,091

Source: NYC Department of Finance, RPIE Filings.

DU = Dwelling Unit

D.1 Occupancy Status

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,400,093[@]			
Number of Units (occupied and vacant, available)	3,217,522	1,033,225	2,184,296	1,029,918
Occupied Units	3,124,138	1,015,299	2,108,838	1,008,096
Bronx	482,316	102,231	380,084	228,534
Brooklyn	932,191	270,647	661,544	295,557
Manhattan	761,269	189,100	572,169	283,907
Queens	784,771	347,567	437,204	189,343
Staten Island	163,590	105,754	57,837	10,756
Vacant Units	275,955			
Vacant, for rent or sale	93,384	17,926	75,458	21,822
Bronx	17,416	2,545	14,871	6,229
Brooklyn	24,862	3,966	20,895	5,064
Manhattan	29,087	4,833	24,254	6,787
Queens	17,486	5,416	12,070	3,147
Staten Island	4,535	1,167	3,368	594
Asking Rent				
<$800	-	-	6,659	1,264
$800-$999	-	-	10,387	4,110
$1,000-$1,249	-	-	14,155	6,197
$1,250-$1,499	-	-	9,326	3,895
$1,500-$1,749	-	-	8,218	2,074
$1,750-$1,999	-	-	3,424	1,661
$2,000-$2,499	-	-	5,600	1,579
$2,500+	-	-	17,689	1,042
Vacant, not for rent or sale	182,571	-	-	-
Bronx	18,409	-	-	-
Brooklyn	50,803	-	-	-
Manhattan	63,509	-	-	-
Queens	39,511	-	-	-
Staten Island	10,338	-	-	-
Dilapidated	3,503			
Rented-Not Yet Occupied	5,213	-	-	-
Sold-Not Yet Occupied	6,570	-	-	-
Undergoing Renovation	42,434	-	-	-
Awaiting Renovation	18,524	-	-	-
Non-Residential Use	2,819	-	-	-
Legal Dispute	10,860	-	-	-
Awaiting Conversion	610	-	-	-
Held for Occasional Use	54,764	-	-	-
Unable to Rent or Sell	18,079	-	-	-
Held Pending Sale of Building	7,940	-	-	-
Held for Planned Demolition	597	-	-	-
Held for Other Reasons	9,485	-	-	-
(Not Reported)	1,172	-	-	-

[@] All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

	Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**
Total Number of Units							
Number of Units (occupied and vacant, available)	766,296	263,622	27,039	47,953	187,714	42,952	848,721
Occupied Units	748,761	259,335	27,039	45,312	184,853	42,335	801,203
Bronx	188,233	40,301	1,146	6,660	51,054	11,734	80,956
Brooklyn	230,297	65,261	7,292	17,378	60,059	11,367	269,891
Manhattan	225,620	58,287	14,845	14,585	53,530	13,822	191,480
Queens	101,668	87,674	3,756	5,148	15,857	3,000	220,100
Staten Island	2,944	7,812	0	1,540	4,353	2,412	38,776
Vacant Units							
Vacant, for rent or sale	17,535	4,287	0	2,641	2,861	617	47,518
Bronx	4,700	1,529	0	1,440	903	370	5,929
Brooklyn	4,202	862	0	217	890	7	14,717
Manhattan	6,192	595	0	793	874	240	15,560
Queens	2,233	914	0	191	195	0	8,537
Staten Island	208	386	0	0	0	0	2,774
Asking Rent							
<$800	1,072	192	0	405	2,176	261	2,553
$800-$999	3,378	731	0	759	0	7	5,511
$1,000-$1,249	5,665	532	0	173	477	341	6,968
$1,250-$1,499	3,090	805	0	602	0	5	4,824
$1,500-$1,749	1,479	596	0	212	208	0	5,723
$1,750-$1,999	1,661	0	0	163	0	5	1,596
$2,000-$2,499	1,191	388	0	326	0	0	3,695
$2,500+	0	1,042	0	0	0	0	16,647
Vacant, not for rent or sale	-	-	-	-	-	-	-
Bronx	-	-	-	-	-	-	-
Brooklyn	-	-	-	-	-	-	-
Manhattan	-	-	-	-	-	-	-
Queens	-	-	-	-	-	-	-
Staten Island	-	-	-	-	-	-	-
Dilapidated							
Rented-Not Yet Occupied	-	-	-	-	-	-	-
Sold-Not Yet Occupied	-	-	-	-	-	-	-
Undergoing Renovation	-	-	-	-	-	-	-
Awaiting Renovation	-	-	-	-	-	-	-
Non-Residential Use	-	-	-	-	-	-	-
Legal Dispute	-	-	-	-	-	-	-
Awaiting Conversion	-	-	-	-	-	-	-
Held for Occasional Use	-	-	-	-	-	-	-
Unable to Rent or Sell	-	-	-	-	-	-	-
Held Pending Sale of Building	-	-	-	-	-	-	-
Held for Planned Demolition	-	-	-	-	-	-	-
Held for Other Reasons	-	-	-	-	-	-	-
(Not Reported)	-	-	-	-	-	-	-

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.1 Occupancy Status (continued)

	ALL UNITS	Owner Units	Renter Units	Stabilized
Total Number of Units (occupied, vacant available, and vacant not available)	3,400,093@			
Number of Units (occupied and vacant, available)	3,217,522	32.1%	67.9%	47.2%
Occupied Units	3,124,138	32.5%	67.5%	47.8%
Bronx	15.4%	10.1%	18.0%	22.7%
Brooklyn	29.8%	26.7%	31.4%	29.3%
Manhattan	24.4%	18.6%	27.1%	28.2%
Queens	25.1%	34.2%	20.7%	18.8%
Staten Island	5.2%	10.4%	2.7%	1.1%
Vacant Units	275,955			
Vacant, for rent or sale	93,384	19.2%	80.8%	28.9%
Bronx	18.6%	14.2%	19.7%	28.5%
Brooklyn	26.6%	22.1%	27.7%	23.2%
Manhattan	31.1%	27.0%	32.1%	31.1%
Queens	18.7%	30.2%	16.0%	14.4%
Staten Island	4.9%	6.5%	4.5%	2.7%
Asking Rent				
<$800	-	-	8.8%	5.8%
$800-$999	-	-	13.8%	18.8%
$1,000-$1,249	-	-	18.8%	28.4%
$1,250-$1,499	-	-	12.4%	17.8%
$1,500-$1,749	-	-	10.9%	9.5%
$1,750-$1,999	-	-	4.5%	7.6%
$2,000-$2,499	-	-	7.4%	7.2%
$2,500+	-	-	23.4%	4.8%
Vacant, not for rent or sale	182,571			
Bronx	10.1%	-	-	-
Brooklyn	27.8%	-	-	-
Manhattan	34.8%	-	-	-
Queens	21.6%	-	-	-
Staten Island	5.7%	-	-	-
Dilapidated	1.9%			
Rented-Not Yet Occupied	2.9%	-	-	-
Sold-Not Yet Occupied	3.6%	-	-	-
Undergoing Renovation	23.2%	-	-	-
Awaiting Renovation	10.1%	-	-	-
Non-Residential Use	1.5%	-	-	-
Legal Dispute	5.9%	-	-	-
Awaiting Conversion	0.3%	-	-	-
Held for Occasional Use	30.0%	-	-	-
Unable to Rent or Sell	9.9%	-	-	-
Held Pending Sale of Building	4.3%	-	-	-
Held for Planned Demolition	0.3%	-	-	-
Held for Other Reasons	5.2%	-	-	-
(Not Reported)	0.6%	-	-	-

@ All housing units, including owner-occupied, renter-occupied, vacant for rent, vacant for sale, and vacant unavailable.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	Post-1946	Controlled	Lama	Housing	Regulated*	Rentals**	
							Total Number of Units
74.4%	25.6%	1.2%	2.2%	8.6%	2.0%	38.9%	Number of Units (occupied and vacant, available)
74.3%	25.7%	1.3%	2.1%	8.8%	2.0%	38.0%	Occupied Units
25.1%	15.5%	4.2%	14.7%	27.6%	27.7%	10.1%	Bronx
30.8%	25.2%	27.0%	38.4%	32.5%	26.9%	33.7%	Brooklyn
30.1%	22.5%	54.9%	32.2%	29.0%	32.6%	23.9%	Manhattan
13.6%	33.8%	13.9%	11.4%	8.6%	7.1%	27.5%	Queens
0.4%	3.0%	0.0%	3.4%	2.4%	5.7%	4.8%	Staten Island
							Vacant Units
80.4%	19.6%	-	3.5%	3.8%	0.8%	63.0%	Vacant, for rent or sale
26.8%	35.7%	-	54.5%	31.6%	60.0%	12.5%	Bronx
24.0%	20.1%	-	8.2%	31.1%	1.1%	31.0%	Brooklyn
35.3%	13.9%	-	30.0%	30.5%	38.9%	32.7%	Manhattan
12.7%	21.3%	-	7.2%	6.8%	0.0%	18.0%	Queens
1.2%	9.0%	-	0.0%	0.0%	0.0%	5.8%	Staten Island
							Asking Rent
6.1%	4.5%	-	15.3%	76.1%	42.1%	5.4%	<$800
19.3%	17.1%	-	28.8%	0.0%	1.1%	11.6%	$800-$999
32.3%	12.4%	-	6.6%	16.7%	55.1%	14.7%	$1,000-$1,249
17.6%	18.8%	-	22.8%	0.0%	0.8%	10.2%	$1,250-$1,499
8.4%	13.9%	-	8.0%	7.3%	0.0%	12.0%	$1,500-$1,749
9.5%	0.0%	-	6.2%	0.0%	0.8%	3.4%	$1,750-$1,999
6.8%	9.1%	-	12.3%	0.0%	0.0%	7.8%	$2,000-$2,499
0.0%	24.3%	-	0.0%	0.0%	0.0%	35.0%	$2,500+
							Vacant, not for rent or sale
-	-	-	-	-	-	-	Bronx
-	-	-	-	-	-	-	Brooklyn
-	-	-	-	-	-	-	Manhattan
-	-	-	-	-	-	-	Queens
-	-	-	-	-	-	-	Staten Island
-	-	-	-	-	-	-	Dilapidated
							Rented-Not Yet Occupied
-	-	-	-	-	-	-	Sold-Not Yet Occupied
-	-	-	-	-	-	-	Undergoing Renovation
-	-	-	-	-	-	-	Awaiting Renovation
-	-	-	-	-	-	-	Non-Residential Use
-	-	-	-	-	-	-	Legal Dispute
-	-	-	-	-	-	-	Awaiting Conversion
-	-	-	-	-	-	-	Held for Occasional Use
-	-	-	-	-	-	-	Unable to Rent or Sell
-	-	-	-	-	-	-	Held Pending Sale of Building
-	-	-	-	-	-	-	Held for Planned Demolition
-	-	-	-	-	-	-	Held for Other Reasons
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompasses In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompasses dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$1-$299	-	-	86,766	7,135
$300-$399	-	-	37,201	5,370
$400-$499	-	-	40,871	8,441
$500-$599	-	-	45,991	13,959
$600-$699	-	-	60,561	25,733
$700-$799	-	-	91,601	49,041
$800-$899	-	-	116,622	72,098
$900-$999	-	-	151,563	98,771
$1,000-$1,249	-	-	449,585	271,883
$1,250-$1,499	-	-	276,529	162,094
$1,500-$1,749	-	-	236,568	117,630
$1,750-$1,999	-	-	112,963	63,529
$2,000-$2,499	-	-	124,691	56,738
$2,500+	-	-	223,936	39,064
(No Cash Rent)	-	-	(53,391)	(16,611)
Mean	-	-	$1,446	$1,317
Mean/Room	-	-	$505	$499
Median	-	-	$1,200	$1,200
Median/Room	-	-	$360	$375
Monthly Cost of Gas/Electric (One Bill)				
Mean	$176	$162	$136	$123
Median	$120	$138	$110	$100
Monthly Cost of Electric (Paid Separately)				
Mean	$125	$162	$104	$97
Median	$100	$138	$90	$80
Monthly Cost of Utility Gas (Paid Separately)				
Mean	$107	$177	$54	$39
Median	$50	$150	$30	$30
Monthly Cost of Water/Sewer				
Mean	$98	$100	$67	-
Median	$83	$83	$58	-
Monthly Cost of Other Fuels				
Mean	$269	$279	$201	-
Median	$250	$250	$150	-
Monthly Mortgage Payments				
Mean	-	$2,174	-	-
Median	-	$1,834	-	-
Monthly Insurance Payments				
Mean	-	$119	-	-
Median	-	$83	-	-
Monthly Property Taxes				
Mean	-	$405	-	-
Median	-	$333	-	-

@ All households, including owners and renters.

	Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**
Monthly Contract Rent							
$1-$299	5,445	1,691	3,587	786	55,944	11,150	8,162
$300-$399	5,165	205	1,645	558	22,461	2,884	4,283
$400-$499	7,087	1,353	1,359	851	22,322	1,184	6,715
$500-$599	11,553	2,407	1,563	0	20,730	869	8,870
$600-$699	22,053	3,680	1,632	2,390	17,588	1,616	11,602
$700-$799	36,320	12,721	1,550	2,598	15,218	2,653	20,541
$800-$899	59,233	12,865	741	3,036	7,491	2,855	30,399
$900-$999	77,431	21,340	3,016	4,167	6,077	1,523	38,009
$1,000-$1,249	214,011	57,871	4,495	13,842	10,016	4,826	144,522
$1,250-$1,499	113,104	48,990	1,526	6,955	4,645	3,688	97,621
$1,500-$1,749	81,987	35,642	2,632	3,234	1,637	1,603	109,833
$1,750-$,1999	48,044	15,485	1,090	1,159	0	1,442	45,743
$2,000-$2,499	42,054	14,684	813	1,744	0	2,464	62,933
$2,500+	13,222	25,842	1,181	3,774	0	2,729	177,189
(No Cash Rent)	(12,053)	(4,558)	(209)	(217)	(723)	(848)	(34,783)
Mean	$1,246	$1,522	$1,034	$1,343	$518	$974	$1,882
Mean/Room	$472	$571	$287	$464	$150	$383	$615
Median	$1,153	$1,300	$900	$1,157	$448	$800	$1,500
Median/Room	$367	$417	$233	$325	$120	$267	$389
Monthly Cost of Gas/Electric (One Bill)							
Mean	$122	$131	$116	$90	$138	$109	$162
Median	$104	$100	$90	$66	$130	$85	$120
Monthly Cost of Electric (Paid Separately)							
Mean	$96	$100	$98	$79	$94	$95	$113
Median	$80	$80	$80	$75	$71	$75	$100
Monthly Cost of Utility Gas (Paid Separately)							
Mean	$37	$51	$37	$83	$82	$51	$72
Median	$27	$30	$25	$50	$70	$40	$40
Monthly Cost of Water/Sewer							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Cost of Other Fuels							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Mortgage Payments							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Insurance Payments							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-
Monthly Property Taxes							
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Monthly Contract Rent				
$1-$299	-	-	4.2%	0.7%
$300-$399	-	-	1.8%	0.5%
$400-$499	-	-	2.0%	0.9%
$500-$599	-	-	2.2%	1.4%
$600-$699	-	-	2.9%	2.6%
$700-$799	-	-	4.5%	4.9%
$800-$899	-	-	5.7%	7.3%
$900-$999	-	-	7.4%	10.0%
$1,000-$1,249	-	-	21.9%	27.4%
$1,250-$1,499	-	-	13.5%	16.3%
$1,500-$1,749	-	-	11.5%	11.9%
$1,750-$1,999	-	-	5.5%	6.4%
$2,000-$2,499	-	-	6.1%	5.7%
$2,500+	-	-	10.9%	3.9%
(No Cash Rent)	-	-	-	-
Mean	-	-	-	-
Mean/Room	-	-	-	-
Median	-	-	-	-
Median/Room	-	-	-	-
Monthly Cost of Gas/Electric (One Bill)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Electric (Paid Separately)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Utility Gas (Paid Separately)				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Water/Sewer				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Cost of Other Fuels				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Mortgage Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Insurance Payments				
Mean	-	-	-	-
Median	-	-	-	-
Monthly Property Taxes				
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units		Rent	Mitchell-	Public	Other	Other	
Pre-1947	*Post-1946*	Controlled	Lama	Housing	Regulated*	Rentals**	
							Monthly Contract Rent
0.7%	0.7%	13.4%	1.7%	30.4%	26.9%	1.1%	$1-$299
0.7%	0.1%	6.1%	1.2%	12.2%	7.0%	0.6%	$300-$399
1.0%	0.5%	5.1%	1.9%	12.1%	2.9%	0.9%	$400-$499
1.6%	0.9%	5.8%	0.0%	11.3%	2.1%	1.2%	$500-$599
3.0%	1.4%	6.1%	5.3%	9.6%	3.9%	1.5%	$600-$699
4.9%	5.0%	5.8%	5.8%	8.3%	6.4%	2.7%	$700-$799
8.0%	5.0%	2.8%	6.7%	4.1%	6.9%	4.0%	$800-$899
10.5%	8.4%	11.2%	9.2%	3.3%	3.7%	5.0%	$900-$999
29.0%	22.7%	16.8%	30.7%	5.4%	11.6%	18.9%	$1,000-$1,249
15.4%	19.2%	5.7%	15.4%	2.5%	8.9%	12.7%	$1,250-$1,499
11.1%	14.0%	9.8%	7.2%	0.9%	3.9%	14.3%	$1,500-$1,749
6.5%	6.1%	4.1%	2.6%	0.0%	3.5%	6.0%	$1,750-$1,999
5.7%	5.8%	3.0%	3.9%	0.0%	5.9%	8.2%	$2,000-$2,499
1.8%	10.1%	4.4%	8.4%	0.0%	6.6%	23.1%	$2,500+
-	-	-	-	-	-	-	(No Cash Rent)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Mean/Room
-	-	-	-	-	-	-	Median
-	-	-	-	-	-	-	Median/Room
							Monthly Cost of Gas/Electric (One Bill)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Electric (Paid Separately)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Utility Gas (Paid Separately)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Water/Sewer
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Cost of Other Fuels
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Mortgage Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Insurance Payments
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Monthly Property Taxes
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.
** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

Totals may not add to 100% due to rounding.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2013 Total Household Income				
Loss, no income or<$5000	139,658	32,562	107,096	45,931
$5000-$9999	167,105	16,741	150,365	68,689
$10,000-$19,999	358,772	76,882	281,890	133,425
$20,000-$29,999	313,522	65,586	247,936	127,969
$30,000-$39,999	282,158	68,071	214,087	107,169
$40,000-$49,999	243,928	66,339	177,589	95,211
$50,000-$59,999	205,538	64,551	140,986	76,714
$60,000-$69,999	185,170	60,234	124,936	64,029
$70,000-$79,999	162,554	54,492	108,062	50,299
$80,000-$89,999	148,360	59,266	89,095	45,547
$90,000-$99,999	107,901	41,175	66,726	29,967
$100,000-$124,999	240,635	108,998	131,638	64,149
$125,000-$149,999	142,485	66,705	75,780	34,064
$150,000+	426,351	233,698	192,653	64,933
Mean	$86,586	$127,769	$66,759	$60,030
Median	$50,376	$80,000	$41,500	$40,600
Contract Rent to Income Ratio				
<10%	-	-	97,465	44,095
10%-19%	-	-	414,171	191,777
20%-29%	-	-	444,370	196,209
30%-39%	-	-	282,453	134,509
40%-49%	-	-	173,890	89,448
50%-59%	-	-	110,489	54,225
60%-69%	-	-	91,064	48,818
70%-79%	-	-	61,330	29,569
80%+			332,027	178,403
(Not Computed/No Rent)	-	-	101,579	41,043
Mean	-	-	42.0%	43.9%
Median	-	-	31.0%	33.0%
Households in Poverty				
Households Below 100% of Poverty Level	523,340	79,352	443,988	201,337
Households at or Above 100% of Poverty Level	2,600,797	935,947	1,664,850	806,759
Households Below 125% of Poverty Level	679,072	114,479	564,593	257,583
Households at or Above 125% of Poverty Level	2,445,065	900,821	1,544,245	750,514
Households Receiving Public Assistance¥	505,724	65,964	439,760	212,758
Households Not Receiving Public Assistance	2,306,597	831,524	1,475,074	697,584
(Do Not Know/Not Reported)	(311,816)	(117,812)	(194,004)	(97,755)
Households Receiving TANF/FAP§	85,695	5,733	79,961	41,510
Households Receiving Safety Net	21,606	2,036	19,570	11,133
Households Receiving SSI	227,247	35,983	191,264	90,759
Households Receiving Other Public Assistance	291,047	32,579	258,468	117,036
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	144,481	87,352
Households Receiving Shelter Allowance	-	-	47,138	27,199
Households Receiving SCRIE∞	-	-	26,874	19,299
Households Receiving Another Federal Housing Subsidy	-	-	17,864	7,939
Households Receiving Another State/City Housing Subsidy	-	-	53,415	25,306

§ Temporary Assistance for Needy Families/Family Assistance Program; ∞ Senior Citizens Rent Increase Exemption;
@ All households, including owners and renters

Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2013 Total Household Income
33,540	12,391	1,757	2,531	15,531	3,948	37,397	Loss, no income or<$5000
54,405	14,284	2,131	5,052	35,183	10,310	29,000	$5000-$9999
104,945	28,480	6,858	8,115	51,023	12,774	69,696	$10,000-$19,999
98,098	29,871	3,338	6,987	29,589	4,391	75,662	$20,000-$29,999
80,024	27,147	2,080	4,959	19,724	2,600	77,555	$30,000-$39,999
70,296	24,915	2,074	3,832	12,892	604	62,976	$40,000-$49,999
59,402	17,312	1,076	2,975	6,338	912	52,972	$50,000-$59,999
45,811	18,217	1,394	1,533	6,066	808	51,106	$60,000-$69,999
38,361	11,938	983	1,707	3,650	975	50,448	$70,000-$79,999
32,883	12,663	408	1,554	2,216	73	39,297	$80,000-$89,999
22,268	7,700	214	1,697	398	726	33,725	$90,000-$99,999
43,903	20,246	1,679	1,151	1,070	708	62,881	$100,000-$124,999
23,851	10,213	1,660	596	781	520	38,159	$125,000-$149,999
40,975	23,958	1,389	2,623	392	2,987	120,328	$150,000+
$54,486	$76,035	$49,413	$46,675	$24,389	$38,903	$88,194	Mean
$40,000	$46,000	$28,800	$29,840	$18,000	$12,360	$58,000	Median
							Contract Rent to Income Ratio
33,148	10,947	3,493	2,065	12,088	2,461	33,263	<10%
139,751	52,027	6,140	4,957	39,219	6,835	165,243	10%-19%
144,884	51,326	2,919	7,989	52,177	9,056	176,020	20%-29%
99,642	34,866	3,023	5,618	30,941	3,557	104,806	30%-39%
66,392	23,056	2,540	3,057	12,204	2,665	63,976	40%-49%
40,751	13,475	1,766	2,606	6,051	1,540	44,302	50%-59%
38,667	10,151	758	2,665	4,231	1,471	33,121	60%-69%
22,772	6,796	631	1,726	3,909	1,041	24,454	70%-79%
132,385	46,018	4,895	13,620	18,571	11,154	105,384	80%+
30,369	10,673	874	1,008	5,462	2,556	50,635	(Not Computed/No Rent))
44.2%	43.3%	41.2%	53.7%	35.1%	49.2%	40.2%	Mean
33.3%	32.3%	30.7%	46.3%	28.1%	34.3%	30.0%	Median
							Households in Poverty
157,716	43,621	6,081	12,588	83,784	19,871	120,328	Households Below 100% of Poverty Level
591,045	215,713	20,958	32,724	101,069	22,465	680,876	Households at or Above 100% of Poverty Level
202,160	55,422	7,360	15,790	102,040	25,775	156,045	Households Below 125% of Poverty Level
546,601	203,913	19,679	29,521	82,813	16,560	645,158	Households at or Above 125% of Poverty Level
173,422	39,336	4,444	10,494	89,798	21,543	100,723	Households Receiving Public Assistance¥
506,470	191,114	19,806	31,284	87,901	18,981	619,518	Households Not Receiving Public Assistance
(68,870)	(28,885)	(2,789)	(3,533)	(7,153)	(1,811)	(80,962)	(Do Not Know/Not Reported)
37,356	4,154	0	1,301	16,245	2,304	18,601	Households Receiving TANF/FAP§
9,520	1,613	0	183	3,624	238	4,393	Households Receiving Safety Net
71,797	18,962	2,350	5,669	45,635	13,474	33,377	Households Receiving SSI
94,122	22,915	2,279	7,143	52,659	11,523	67,828	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
68,906	18,446	568	9,772	4,534	11,556	30,698	Households Receiving Section 8 Certif./Voucher
24,782	2,417	222	537	8,236	396	10,548	Households Receiving Shelter Allowance
15,755	3,544	1,933	745	188	3,071	1,638	Households Receiving SCRIE∞
6,096	1,843	0	1,830	1,544	2,737	3,814	Households Receiving Another Federal Housing Subsidy
21,270	4,036	164	3,050	8,597	1,147	15,152	Households Receiving Another State/City Housing Subsidy

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.2 Economic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
2013 Total Household Income				
Loss, no income or<$5000	4.5%	3.2%	5.1%	4.6%
$5000-$9999	5.3%	1.6%	7.1%	6.8%
$10,000-$19,999	11.5%	7.6%	13.4%	13.2%
$20,000-$29,999	10.0%	6.5%	11.8%	12.7%
$30,000-$39,999	9.0%	6.7%	10.2%	10.6%
$40,000-$49,999	7.8%	6.5%	8.4%	9.4%
$50,000-$59,999	6.6%	6.4%	6.7%	7.6%
$60,000-$69,999	5.9%	5.9%	5.9%	6.4%
$70,000-$79,999	5.2%	5.4%	5.1%	5.0%
$80,000-$89,999	4.7%	5.8%	4.2%	4.5%
$90,000-$99,999	3.5%	4.1%	3.2%	3.0%
$100,000-$124,999	7.7%	10.7%	6.2%	6.4%
$125,000-$149,999	4.6%	6.6%	3.6%	3.4%
$150,000+	13.6%	23.0%	9.1%	6.4%
Mean	-	-	-	-
Median	-	-	-	-
Contract Rent to Income Ratio				
<10%	-	-	4.9%	4.6%
10%-19%	-	-	20.6%	19.8%
20%-29%	-	-	22.1%	20.3%
30%-39%	-	-	14.1%	13.9%
40%-49%	-	-	8.7%	9.2%
50%-59%	-	-	5.5%	5.6%
60%-69%	-	-	4.5%	5.0%
70%-79%	-	-	3.1%	3.1%
80%+			16.5%	18.4%
(Not Computed/No Rent)	-	-	-	-
Mean	-	-	-	-
Median	-	-	-	-
Households in Poverty				
Households Below 100% of Poverty Level	16.8%	7.8%	21.1%	20.0%
Households at or Above 100% of Poverty Level	83.2%	92.2%	78.9%	80.0%
Households Below 125% of Poverty Level	21.7%	11.3%	26.8%	25.6%
Households at or Above 125% of Poverty Level	78.3%	88.7%	73.2%	74.4%
Households Receiving Public Assistance¥	18.0%	7.3%	23.0%	23.4%
Households Not Receiving Public Assistance	82.0%	92.7%	77.0%	76.6%
(Not Reported)	-	-	-	-
Households Receiving TANF/FAP§	3.0%	0.6%	4.2%	4.6%
Households Receiving Safety Net	0.8%	0.2%	1.0%	1.2%
Households Receiving SSI	8.1%	4.0%	10.0%	10.0%
Households Receiving Other Public Assistance	10.4%	3.6%	13.6%	12.9%
Households Receiving Rent Subsidy				
Households Receiving Section 8 Certif./Voucher	-	-	7.2%	9.0%
Households Receiving Shelter Allowance	-	-	2.4%	2.8%
Households Receiving SCRIE∞	-	-	6.7%	9.8%
Households Receiving Another Federal Housing Subsidy	-	-	0.9%	0.8%
Households Receiving Another State/City Housing Subsidy	-	-	2.7%	2.6%

§ Temporary Assistance for Needy Families/Family Assistance Program; ∞ Senior Citizens Rent Increase Exemption;
@ All households, including owners and renters

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							2013 Total Household Income
4.5%	4.8%	6.5%	5.6%	8.4%	9.3%	4.7%	Loss, no income or<$5000
7.3%	5.5%	7.9%	11.1%	19.0%	24.4%	3.6%	$5000-$9999
14.0%	11.0%	25.4%	17.9%	27.6%	30.2%	8.7%	$10,000-$19,999
13.1%	11.5%	12.3%	15.4%	16.0%	10.4%	9.4%	$20,000-$29,999
10.7%	10.5%	7.7%	10.9%	10.7%	6.1%	9.7%	$30,000-$39,999
9.4%	9.6%	7.7%	8.5%	7.0%	1.4%	7.9%	$40,000-$49,999
7.9%	6.7%	4.0%	6.6%	3.4%	2.2%	6.6%	$50,000-$59,999
6.1%	7.0%	5.2%	3.4%	3.3%	1.9%	6.4%	$60,000-$69,999
5.1%	4.6%	3.6%	3.8%	2.0%	2.3%	6.3%	$70,000-$79,999
4.4%	4.9%	1.5%	3.4%	1.2%	0.2%	4.9%	$80,000-$89,999
3.0%	3.0%	0.8%	3.7%	0.2%	1.7%	4.2%	$90,000-$99,999
5.9%	7.8%	6.2%	2.5%	0.6%	1.7%	7.8%	$100,000-$124,999
3.2%	3.9%	6.1%	1.3%	0.4%	1.2%	4.8%	$125,000-$149,999
5.5%	9.2%	5.1%	5.8%	0.2%	7.1%	15.0%	$150,000+
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Contract Rent to Income Ratio
4.6%	4.4%	13.3%	4.7%	6.7%	6.2%	4.4%	<10%
19.5%	20.9%	23.5%	11.2%	21.9%	17.2%	22.0%	10%-19%
20.2%	20.6%	11.2%	18.0%	29.1%	22.8%	23.5%	20%-29%
13.9%	14.0%	11.6%	12.7%	17.2%	8.9%	14.0%	30%-39%
9.2%	9.3%	9.7%	6.9%	6.8%	6.7%	8.5%	40%-49%
5.7%	5.4%	6.7%	5.9%	3.4%	3.9%	5.9%	50%-59%
5.4%	4.1%	2.9%	6.0%	2.4%	3.7%	4.4%	60%-69%
3.2%	2.7%	2.4%	3.9%	2.2%	2.6%	3.3%	70%-79%
18.4%	18.5%	18.7%	30.7%	10.4%	28.0%	14.0%	80%+
-	-	-	-	-	-	-	(Not Computed/No Rent)
-	-	-	-	-	-	-	Mean
-	-	-	-	-	-	-	Median
							Households in Poverty
21.1%	16.8%	22.5%	27.8%	45.3%	46.9%	15.0%	Households Below 100% of Poverty Level
78.9%	83.2%	77.5%	72.2%	54.7%	53.1%	85.0%	Households at or Above 100% of Poverty Level
27.0%	21.4%	27.2%	34.8%	55.2%	60.9%	19.5%	Households Below 125% of Poverty Level
73.0%	78.6%	72.8%	65.2%	44.8%	39.1%	80.5%	Households at or Above 125% of Poverty Level
25.5%	17.1%	18.3%	25.1%	50.5%	53.2%	14.0%	Households Receiving Public Assistance¥
74.5%	82.9%	81.7%	74.9%	49.5%	46.8%	86.0%	Households Not Receiving Public Assistance
-	-	-	-	-	-	-	(Not Reported)
5.5%	1.8%	0.0%	3.1%	9.2%	5.7%	2.6%	Households Receiving TANF/FAP§
1.4%	0.7%	0.0%	0.4%	2.1%	0.6%	0.6%	Households Receiving Safety Net
10.6%	8.2%	9.7%	13.5%	25.9%	33.4%	4.6%	Households Receiving SSI
13.9%	10.0%	9.5%	17.2%	30.0%	28.8%	9.4%	Households Receiving Other Public Assistance
							Households Receiving Rent Subsidy
9.6%	7.4%	2.2%	21.9%	2.5%	30.1%	4.1%	Households Receiving Section 8 Certif./Voucher
3.5%	1.0%	0.9%	1.2%	4.6%	1.0%	1.4%	Households Receiving Shelter Allowance
11.3%	6.1%	10.1%	4.7%	0.3%	14.5%	1.9%	Households Receiving SCRIE∞
0.9%	0.7%	0.0%	4.2%	0.9%	7.1%	0.5%	Households Receiving Another Federal Housing Subsidy
3.0%	1.6%	0.6%	7.0%	4.8%	3.0%	2.0%	Households Receiving Another State/City Housing Subsidy

¥ Because households can receive more than one type of public assistance, the sum of the households receiving each category of assistance (TANF, Safety Net, etc.) exceed the total households receiving public assistance.

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.3 Demographic Characteristics

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2011-2014	944,520	131,405	813,114	350,800
2008-2010	454,980	95,647	359,333	167,422
2005-2007	293,372	109,735	183,637	84,604
2002-2004	245,980	102,287	143,693	67,029
1999-2001	233,781	107,957	125,825	63,535
1996-1998	163,861	75,512	88,349	51,120
1993-1995	149,660	69,245	80,415	50,276
1990-1992	106,487	46,708	59,780	36,028
1987-1989	79,527	41,373	38,153	24,155
1984-1986	74,108	40,684	33,424	16,235
1981-1983	52,885	24,739	28,146	17,767
1971-1980	197,599	95,898	101,701	65,026
Prior to 1971	127,378	74,112	53,267	14,099
Household Composition				
Married Couples	1,182,265	546,149	636,116	284,713
w/o Other Household Members	433,937	203,813	230,124	104,977
With Children <18 Years of Age	371,821	141,252	230,568	98,909
w/o Children <18 Years of Age	205,282	121,262	84,021	41,495
With Other Household Members	171,225	79,822	91,403	39,332
Female Householder	1,216,918	307,391	909,527	440,118
w/o Other Household Members	581,270	176,793	404,477	206,001
With Children <18 Years of Age	153,823	17,617	136,206	58,091
w/o Children <18 Years of Age	325,723	83,795	241,927	117,828
With Other Household Members	156,103	29,186	126,917	58,198
Male Householder	724,954	161,759	563,195	283,265
w/o Other Household Members	426,399	93,427	332,972	175,881
With Children <18 Years of Age	14,361	3,792	10,569	4,137
w/o Children <18 Years of Age	244,010	54,143	189,867	86,789
With Other Household Members	40,184	10,398	29,786	16,458
Race of Householder				
White, non-Hispanic	1,291,978	540,656	751,322	359,262
Black, non-Hispanic	669,612	187,726	481,886	217,394
Puerto Rican	252,928	42,203	210,725	97,395
Other Spanish/Hispanic	487,190	79,544	407,646	225,310
Asian/Pacific Islander, non-Hispanic	387,835	156,169	231,666	98,030
American/Aleut/Eskimo, non-Hispanic	12,981	3,843	9,138	3,583
Two or more races, non-Hispanic	21,614	5,159	16,456	7,125
Age of Householder				
Under 25 years	109,220	6,744	102,477	44,104
25-34	588,055	72,111	515,944	248,596
35-44	638,419	171,955	466,465	209,265
45-54	603,221	223,461	379,760	184,230
55-61	383,356	170,098	213,258	110,977
62-64	135,651	63,683	71,968	38,252
65-74	374,292	168,188	206,104	103,370
75-84	200,349	93,357	106,991	48,498
85 or more years	91,575	45,702	45,872	20,803
Mean	50	56	47	47
Median	48	56	44	45

@ All households, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Year Moved Into Current Dwelling
261,227	89,572	2,324	11,751	30,545	10,552	407,143	2011-2014
116,965	50,457	181	7,631	24,937	6,944	152,219	2008-2010
61,057	23,547	159	3,210	18,328	5,903	71,434	2005-2007
50,215	16,815	166	4,809	15,951	4,513	51,225	2002-2004
50,091	13,444	578	3,373	16,575	4,283	37,482	1999-2001
42,016	9,104	357	2,704	12,258	3,014	18,896	1996-1998
37,392	12,883	279	2,937	10,677	1,744	14,503	1993-1995
28,985	7,044	0	1,379	9,178	1,434	11,760	1990-1992
18,252	5,904	0	769	6,931	537	5,761	1987-1989
11,671	4,564	207	1,372	5,380	1,339	8,890	1984-1986
14,432	3,335	370	1,090	4,480	1,347	3,093	1981-1983
47,501	17,525	1,734	3,644	17,512	521	13,266	1971-1980
8,958	5,141	20,685	643	12,101	205	5,532	Prior to 1971
							Household Composition
200,286	84,427	4,729	11,460	29,188	7,493	298,533	Married Couples
71,060	33,917	3,265	5,071	12,807	4,175	99,828	w/o Other Household Members
69,265	29,644	1,075	3,005	6,935	2,456	118,188	With Children <18 Years of Age
27,944	13,551	388	1,988	5,766	531	33,853	w/o Children <18 Years of Age
32,017	7,315	0	1,397	3,680	331	46,665	With Other Household Members
332,396	107,722	16,136	21,584	126,134	22,913	282,643	Female Householder
151,808	54,193	12,017	10,701	46,395	15,624	113,738	w/o Other Household Members
45,474	12,617	256	3,785	29,095	1,783	43,196	With Children <18 Years of Age
87,608	30,221	2,770	5,228	28,791	3,344	83,967	w/o Children <18 Years of Age
47,506	10,692	1,093	1,870	21,853	2,161	41,742	With Other Household Members
216,079	67,187	6,175	12,267	29,531	11,930	220,027	Male Householder
132,046	43,835	4,298	7,941	19,532	8,798	116,522	w/o Other Household Members
2,040	2,097	0	729	1,182	394	4,128	With Children <18 Years of Age
68,119	18,670	1,699	2,759	7,015	2,440	89,165	w/o Children <18 Years of Age
13,874	2,584	178	838	1,802	297	10,213	With Other Household Members
							Race of Householder
249,356	109,906	15,988	14,549	8,601	9,942	342,980	White, non-Hispanic
164,009	53,385	4,195	17,752	81,736	9,165	151,644	Black, non-Hispanic
81,166	16,228	1,950	4,398	47,486	9,279	50,217	Puerto Rican
185,688	39,622	3,333	3,803	36,871	8,791	129,539	Other Hispanic
59,605	38,424	1,385	4,633	8,193	4,790	114,634	Asian/Pacific Islander, non-Hisp
2,609	973	188	177	1,184	191	3,815	American/Aleut/Eskimo, non-Hisp
6,328	797	0	0	781	176	8,374	Two or more races, non-Hispanic
							Age of Householder
34,275	9,830	168	2,046	5,851	1,029	49,278	Under 25 years
187,521	61,076	1,066	4,996	22,156	3,424	235,706	25-34
159,029	50,236	1,814	7,024	33,778	4,492	210,092	35-44
140,020	44,210	2,491	8,349	34,737	6,973	142,979	45-54
81,256	29,721	1,348	6,157	24,757	3,610	66,408	55-61
31,059	7,193	650	3,147	9,630	1,065	19,224	62-64
71,911	31,459	8,976	8,053	28,714	8,377	48,614	65-74
31,336	17,162	5,810	3,912	20,150	9,533	19,088	75-84
12,355	8,448	4,717	1,628	5,079	3,832	9,814	85 or more years
46	49	69	54	54	62	43	Mean
44	46	72	55	53	65	40	Median

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.3 Demographic Characteristics (Continued)

	All Households@	Owner Households	Renter Households	Stabilized
Year Moved Into Current Dwelling				
2011-2014	30.2%	12.9%	38.6%	34.8%
2008-2010	14.6%	9.4%	17.0%	16.6%
2005-2007	9.4%	10.8%	8.7%	8.4%
2002-2004	7.9%	10.1%	6.8%	6.6%
1999-2001	7.5%	10.6%	6.0%	6.3%
1996-1998	5.2%	7.4%	4.2%	5.1%
1993-1995	4.8%	6.8%	3.8%	5.0%
1990-1992	3.4%	4.6%	2.8%	3.6%
1987-1989	2.5%	4.1%	1.8%	2.4%
1984-1986	2.4%	4.0%	1.6%	1.6%
1981-1983	1.7%	2.4%	1.3%	1.8%
1971-1980	6.3%	9.4%	4.8%	6.5%
Prior to 1971	4.1%	7.3%	2.5%	1.4%
Household Composition				
Married Couples	37.8%	53.8%	30.2%	28.2%
w/o Other Household Members	13.9%	20.1%	10.9%	10.4%
With Children <18 Years of Age	11.9%	13.9%	10.9%	9.8%
w/o Children <18 Years of Age	6.6%	11.9%	4.0%	4.1%
With Other Household Members	5.5%	7.9%	4.3%	3.9%
Female Householder	39.0%	30.3%	43.1%	43.7%
w/o Other Household Members	18.6%	17.4%	19.2%	20.4%
With Children <18 Years of Age	4.9%	1.7%	6.5%	5.8%
w/o Children <18 Years of Age	10.4%	8.3%	11.5%	11.7%
With Other Household Members	5.0%	2.9%	6.0%	5.8%
Male Householder	23.2%	15.9%	26.7%	28.1%
w/o Other Household Members	13.6%	9.2%	15.8%	17.4%
With Children <18 Years of Age	0.5%	0.4%	0.5%	0.4%
w/o Children <18 Years of Age	7.8%	5.3%	9.0%	8.6%
With Other Household Members	1.3%	1.0%	1.4%	1.6%
Race of Householder				
White, non-Hispanic	41.4%	53.3%	35.6%	35.6%
Black, non-Hispanic	21.4%	18.5%	22.9%	21.6%
Puerto Rican	8.1%	4.2%	10.0%	9.7%
Other Spanish/Hispanic	15.6%	7.8%	19.3%	22.4%
Asian/Pacific Islander, non-Hispanic	12.4%	15.4%	11.0%	9.7%
American/Aleut/Eskimo, non-Hispanic	0.4%	0.4%	0.4%	0.4%
2 or more races, non-Hispanic	0.7%	0.5%	0.8%	0.7%
Age of Householder				
Under 25 years	3.5%	0.7%	4.9%	4.4%
25-34	18.8%	7.1%	24.5%	24.7%
35-44	20.4%	16.9%	22.1%	20.8%
45-54	19.3%	22.0%	18.0%	18.3%
55-61	12.3%	16.8%	10.1%	11.0%
62-64	4.3%	6.3%	3.4%	3.8%
65-74	12.0%	16.6%	9.8%	10.3%
75-84	6.4%	9.2%	5.1%	4.8%
85 or more years	2.9%	4.5%	2.2%	2.1%
Mean	-	-	-	-
Median	-	-	-	-

@ All households, including owners and renters. Totals may not add to 100% due to rounding.

	Rent Stabilized Units Pre-1947	Rent Stabilized Units Post-1946	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**
Year Moved Into Current Dwelling							
2011-2014	34.9%	34.5%	8.6%	25.9%	16.5%	24.9%	50.8%
2008-2010	15.6%	19.5%	0.7%	16.8%	13.5%	16.4%	19.0%
2005-2007	8.2%	9.1%	0.6%	7.1%	9.9%	13.9%	8.9%
2002-2004	6.7%	6.5%	0.6%	10.6%	8.6%	10.7%	6.4%
1999-2001	6.7%	5.2%	2.1%	7.4%	9.0%	10.1%	4.7%
1996-1998	5.6%	3.5%	1.3%	6.0%	6.6%	7.1%	2.4%
1993-1995	5.0%	5.0%	1.0%	6.5%	5.8%	4.1%	1.8%
1990-1992	3.9%	2.7%	0.0%	3.0%	5.0%	3.4%	1.5%
1987-1989	2.4%	2.3%	0.0%	1.7%	3.7%	1.3%	0.7%
1984-1986	1.6%	1.8%	0.8%	3.0%	2.9%	3.2%	1.1%
1981-1983	1.9%	1.3%	1.4%	2.4%	2.4%	3.2%	0.4%
1971-1980	6.3%	6.8%	6.4%	8.0%	9.5%	1.2%	1.7%
Prior to 1971	1.2%	2.0%	76.5%	1.4%	6.5%	0.5%	0.7%
Household Composition							
Married Couples	26.7%	32.6%	17.5%	25.3%	15.8%	17.7%	37.3%
w/o Other Household Members	9.5%	13.1%	12.1%	11.2%	6.9%	9.9%	12.5%
With Children <18 Years of Age	9.3%	11.4%	4.0%	6.6%	3.8%	5.8%	14.8%
w/o Children <18 Years of Age	3.7%	5.2%	1.4%	4.4%	3.1%	1.3%	4.2%
With Other Household Members	4.3%	2.8%	0.0%	3.1%	2.0%	0.8%	5.8%
Female Householder	44.4%	41.5%	59.7%	47.6%	68.2%	54.1%	35.3%
w/o Other Household Members	20.3%	20.9%	44.4%	23.6%	25.1%	36.9%	14.2%
With Children <18 Years of Age	6.1%	4.9%	0.9%	8.4%	15.7%	4.2%	5.4%
w/o Children <18 Years of Age	11.7%	11.7%	10.2%	11.5%	15.6%	7.9%	10.5%
With Other Household Members	6.3%	4.1%	4.0%	4.1%	11.8%	5.1%	5.2%
Male Householder	28.9%	25.9%	22.8%	27.1%	16.0%	28.2%	27.5%
w/o Other Household Members	17.6%	16.9%	15.9%	17.5%	10.6%	20.8%	14.5%
With Children <18 Years of Age	0.3%	0.8%	0.0%	1.6%	0.6%	0.9%	0.5%
w/o Children <18 Years of Age	9.1%	7.2%	6.3%	6.1%	3.8%	5.8%	11.1%
With Other Household Members	1.9%	1.0%	0.7%	1.8%	1.0%	0.7%	1.3%
Race of Householder							
White, non-Hispanic	33.3%	42.4%	59.1%	32.1%	4.7%	23.5%	42.8%
Black, non-Hispanic	21.9%	20.6%	15.5%	39.2%	44.2%	21.6%	18.9%
Puerto Rican	10.8%	6.3%	7.2%	9.7%	25.7%	21.9%	6.3%
Other Spanish/Hispanic	24.8%	15.3%	12.3%	8.4%	19.9%	20.8%	16.2%
Asian/Pacific Islander, non-Hisp	8.0%	14.8%	5.1%	10.2%	4.4%	11.3%	14.3%
American/Aleut/Eskimo, non-Hisp	0.3%	0.4%	0.7%	0.4%	0.6%	0.5%	0.5%
2 or more races, non-Hispanic	0.8%	0.3%	0.0%	0.0%	0.4%	0.4%	1.0%
Age of Householder							
Under 25 years	4.6%	3.8%	0.6%	4.5%	3.2%	2.4%	6.2%
25-34	25.0%	23.6%	3.9%	11.0%	12.0%	8.1%	29.4%
35-44	21.2%	19.4%	6.7%	15.5%	18.3%	10.6%	26.2%
45-54	18.7%	17.0%	9.2%	18.4%	18.8%	16.5%	17.8%
55-61	10.9%	11.5%	5.0%	13.6%	13.4%	8.5%	8.3%
62-64	4.1%	2.8%	2.4%	6.9%	5.2%	2.5%	2.4%
65-74	9.6%	12.1%	33.2%	17.8%	15.5%	19.8%	6.1%
75-84	4.2%	6.6%	21.5%	8.6%	10.9%	22.5%	2.4%
85 or more years	1.7%	3.3%	17.4%	3.6%	2.7%	9.1%	1.2%
Mean	-	-	-	-	-	-	-
Median	-	-	-	-	-	-	-

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing / Neighborhood Quality Characteristics

	All Units@	Owner Units	Renter Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	525,933	108,346	417,587	215,109
Additional Heating Not Required	2,279,741	791,277	1,488,464	693,284
(Not Reported)	(318,464)	(115,676)	(202,788)	(99,703)
Heating Breakdowns	382,284	66,692	315,592	176,643
No Breakdowns	2,417,396	828,360	1,589,036	730,351
(Not Reported)	(324,457)	(120,247)	(204,210)	(101,102)
Broken Plaster/Peeling Paint	415,573	60,149	355,424	191,499
No Broken Plaster/Peeling Paint	2,390,638	840,663	1,549,976	716,608
(Not Reported)	(317,926)	(114,488)	(203,438)	(99,990)
Cracked Interior Walls or Ceilings	339,750	42,250	297,500	167,497
No Cracked Interior Walls or Ceilings	2,475,897	861,055	1,614,842	743,977
(Not Reported)	(308,491)	(111,995)	(196,496)	(96,622)
Holes in Floor	139,462	10,527	128,934	79,586
No Holes in Floor	2,647,368	882,099	1,765,269	824,281
(Not Reported)	(337,308)	(122,673)	(214,635)	(104,229)
Rodent Infestation	521,490	83,330	438,159	256,579
No Infestation	2,293,226	818,865	1,474,360	655,287
(Not Reported)	(309,422)	(113,104)	(196,318)	(96,230)
Cockroach Infestation	643,658	87,576	556,082	295,883
No Infestation	2,135,637	806,623	1,329,014	604,413
(Don’t Know/Not Reported)	(344,843)	(121,100)	(223,742)	(107,801)
Toilet Breakdown	307,160	78,850	228,311	118,600
No Toilet Breakdown/No Facilities	2,537,623	831,552	1,706,071	805,767
(Not Reported)	(279,355)	(104,898)	(174,457)	(83,730)
Water Leakage Inside Unit	474,888	95,388	379,499	218,684
No Water Leakage	2,340,244	807,806	1,532,438	692,661
(Not Reported)	(309,006)	(112,105)	(196,901)	(96,751)
Units in Buildings w. No Maintenance Defects	1,347,876	539,889	807,987	338,892
Units in Buildings w. 1 Maintenance Defect	648,273	208,783	439,489	203,085
Units in Buildings w. 2 Maintenance Defects	325,298	71,230	254,068	136,867
Units in Buildings w. 3 Maintenance Defects	185,407	25,969	159,438	91,838
Units in Buildings w. 4 Maintenance Defects	96,453	8,829	87,624	53,764
Units in Buildings w. 5+ Maintenance Defects	81,885	3,231	78,654	47,555
(Not Reported)	(438,945)	(157,367)	(281,578)	(136,094)
Condition of Neighboring Buildings				
Excellent	628,994	289,768	339,226	135,261
Good	1,531,201	499,697	1,031,504	502,562
Fair	537,704	101,117	436,587	222,596
Poor Quality	118,635	13,403	105,232	50,299
(Not Reported)	(307,604)	(111,316)	(196,288)	(97,378)
Boarded Up/Broken Windows in Neighborhood	164,558	45,284	119,274	52,465
No Boarded Up/Broken Windows in Neighborhood	2,862,965	942,176	1,920,789	918,548
(Not Reported)	(96,614)	(27,840)	(68,775)	(37,083)

@ All housing units, including owners and renters.

Rent Stabilized Units *Pre-1947*	Rent Stabilized Units *Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality (Units Experiencing:)
169,054	46,055	4,704	7,757	53,025	8,797	128,194	Additional Heating Required
506,082	187,202	19,439	34,669	120,301	30,725	590,044	Additional Heating Not Required
(73,625)	(26,078)	(2,896)	(2,885)	(11,526)	(2,812)	(82,965)	(Not Reported)
146,622	30,021	5,302	3,151	44,815	5,346	80,334	Heating Breakdowns
528,500	201,852	18,633	39,027	128,469	33,933	638,623	No Breakdowns
(73,639)	(27,462)	(3,103)	(3,134)	(11,568)	(3,056)	(82,246)	(Not Reported)
158,075	33,424	8,682	5,340	76,365	4,170	69,370	Broken Plaster/Peeling Paint
517,120	199,488	15,245	37,092	96,572	35,342	649,117	No Broken Plaster/Peeling Paint
(73,567)	(26,423)	(3,113)	(2,880)	(11,916)	(2,823)	(82,717)	(Not Reported)
145,682	21,815	6,566	2,031	56,501	3,626	61,280	Cracked Interior Walls or Ceilings
532,411	211,566	17,577	40,401	117,789	35,898	659,200	No Cracked Interior Walls or Ceilings
(70,668)	(25,954)	(2,896)	(2,880)	(10,562)	(2,812)	(80,724)	(Not Reported)
71,704	7,882	2,497	368	18,017	1,443	27,024	Holes in Floor
600,152	224,129	21,646	41,456	154,933	37,894	685,059	No Holes in Floor
(76,906)	(27,323)	(2,896)	(3,488)	(11,902)	(2,999)	(89,121)	(Not Reported)
212,569	44,009	5,165	9,160	49,064	6,649	111,542	Rodent Infestation
465,794	189,493	18,978	33,036	124,362	32,869	609,828	No Infestation
(70,398)	(25,832)	(2,896)	(3,115)	(11,426)	(2,817)	(79,834)	(Not Reported)
231,013	64,870	6,153	11,665	110,081	7,561	124,739	Cockroach Infestation
438,269	166,144	17,765	30,071	60,077	31,535	585,152	No Infestation
(79,480)	(28,320)	(3,122)	(3,576)	(14,695)	(3,238)	(91,311)	(Don't Know/Not Reported)
88,774	29,826	1,959	6,041	30,153	3,650	67,907	Toilet Breakdown
601,400	204,367	21,866	36,030	144,953	36,217	661,238	No Toilet Breakdown/No Facilities
(58,588)	(25,142)	(3,214)	(3,240)	(9,746)	(2,468)	(72,059)	(Not Reported)
183,037	35,647	6,294	7,059	51,364	7,705	88,393	Water Leakage Inside Unit
494,723	197,938	17,849	35,261	122,063	32,011	632,593	No Water Leakage
(71,002)	(25,749)	(2,896)	(2,992)	(11,426)	(2,619)	(80,217)	(Not Reported)
228,016	110,876	8,659	17,696	39,389	17,604	385,748	Units in Buildings w. No Maintenance Defects
148,107	54,978	6,288	13,648	38,167	9,780	168,521	Units in Buildings w. 1 Maintenance Defect
107,864	29,003	2,754	6,088	29,231	6,911	72,216	Units in Buildings w. 2 Maintenance Defects
77,680	14,158	2,578	1,128	28,352	2,470	33,071	Units in Buildings w. 3 Maintenance Defects
47,530	6,233	966	374	16,542	994	14,984	Units in Buildings w. 4 Maintenance Defects
41,089	6,467	1,822	899	13,748	463	14,167	Units in Buildings w. 5+ Maintenance Defects
(98,474)	(37,620)	(3,972)	(5,479)	(19,424)	(4,113)	(112,496)	(Not Reported)
							Condition of Neighboring Buildings
90,502	44,759	5,936	7,859	7,381	6,151	176,639	Excellent
363,445	139,117	12,782	23,655	66,084	20,430	405,991	Good
181,755	40,841	4,702	9,802	70,827	11,312	117,348	Fair
41,665	8,634	551	1,116	29,649	1,226	22,391	Poor Quality
(71,394)	(25,984)	(3,069)	(2,880)	(10,911)	(3,217)	(78,833)	(Not Reported)
43,247	9,218	1,037	187	9,599	1,717	54,270	Boarded Up/Broken Windows in Neighborhood
678,777	239,772	25,220	42,926	168,222	39,859	726,014	No Boarded Up/Broken Windows in Neighborhood
(26,738)	(10,345)	(783)	(2,199)	(7,031)	(759)	(20,919)	(Not Reported)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.

** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

D.4 Housing/Neighborhood Quality Characteristics (Continued)

	All Dwellings@	Owner Units	Rental Units	Stabilized
Maintenance Quality				
(Units Experiencing:)				
Additional Heating Required	18.7%	12.0%	21.9%	23.7%
Additional Heating Not Required	81.3%	88.0%	78.1%	76.3%
(Not Reported)	-	-	-	-
Heating Breakdowns	13.7%	7.5%	16.6%	19.5%
No Breakdowns	86.3%	92.5%	83.4%	80.5%
(Not Reported)	-	-	-	-
Broken Plaster/Peeling Paint	14.8%	6.7%	18.7%	21.1%
No Broken Plaster/Peeling Paint	85.2%	93.3%	81.3%	78.9%
(Not Reported)	-	-	-	-
Cracked Interior Walls or Ceilings	12.1%	4.7%	15.6%	18.4%
No Cracked Interior Walls or Ceilings	87.9%	95.3%	84.4%	81.6%
(Not Reported)	-	-	-	-
Holes in Floor	5.0%	1.2%	6.8%	8.8%
No Holes in Floor	95.0%	98.8%	93.2%	91.2%
(Not Reported)	-	-	-	-
Rodent Infestation	18.5%	9.2%	22.9%	28.1%
No Infestation	81.5%	90.8%	77.1%	71.9%
(Not Reported)	-	-	-	-
Cockroach Infestation	23.2%	9.8%	29.5%	32.9%
No Infestation	76.8%	90.2%	70.5%	67.1%
(Not Reported)	-	-	-	-
Toilet Breakdown	10.8%	8.7%	11.8%	12.8%
No Toilet Breakdown	89.2%	91.3%	88.2%	87.2%
(Not Reported)	-	-	-	-
Water Leakage Inside Unit	16.9%	10.6%	19.8%	24.0%
No Water Leakage	83.1%	89.4%	80.2%	76.0%
(Not Reported)	-	-	-	-
Units in Buildings w. No Maintenance Defects	50.2%	62.9%	44.2%	38.9%
Units in Buildings w. 1 Maintenance Defect	24.1%	24.3%	24.1%	23.3%
Units in Buildings w. 2 Maintenance Defects	12.1%	8.3%	13.9%	15.7%
Units in Buildings w. 3 Maintenance Defects	6.9%	3.0%	8.7%	10.5%
Units in Buildings w. 4 Maintenance Defects	3.6%	1.0%	4.8%	6.2%
Units in Buildings w. 5+ Maintenance Defects	3.0%	0.4%	4.3%	5.5%
(Not Reported)	-	-	-	-
Condition of Neighboring Buildings				
Excellent	22.3%	32.1%	17.7%	14.9%
Good	54.4%	55.3%	53.9%	55.2%
Fair	19.1%	11.2%	22.8%	24.4%
Poor Quality	4.2%	1.5%	5.5%	5.5%
(Not Reported)	-	-	-	-
Boarded Up/Broken Windows in Neighborhood	5.4%	4.6%	5.8%	5.4%
No Boarded Up/Broken Windows in Neighborhood	94.6%	95.4%	94.2%	94.6%
(Not Reported)	-	-	-	-

@ All housing units, including owners and renters.

Totals may not add to 100% due to rounding.

Rent Stabilized Units *Pre-1947*	*Post-1946*	Rent Controlled	Mitchell-Lama	Public Housing	Other Regulated*	Other Rentals**	
							Maintenance Quality
							(Units Experiencing:)
25.0%	19.7%	19.5%	18.3%	30.6%	22.3%	17.8%	Additional Heating Required
75.0%	80.3%	80.5%	81.7%	69.4%	77.7%	82.2%	Additional Heating Not Required
-	-	-	-	-	-	-	(Not Reported)
21.7%	12.9%	22.2%	7.5%	25.9%	13.6%	11.2%	Heating Breakdowns
78.3%	87.1%	77.8%	92.5%	74.1%	86.4%	88.8%	No Breakdowns
-	-	-	-	-	-	-	(Not Reported)
23.4%	14.4%	36.3%	12.6%	44.2%	10.6%	9.7%	Broken Plaster/Peeling Paint
76.6%	85.6%	63.7%	87.4%	55.8%	89.4%	90.3%	No Broken Plaster/Peeling Paint
-	-	-	-	-	-	-	(Not Reported)
21.5%	9.3%	27.2%	4.8%	32.4%	9.2%	8.5%	Cracked Interior Walls or Ceilings
78.5%	90.7%	72.8%	95.2%	67.6%	90.8%	91.5%	No Cracked Interior Walls or Ceilings
-	-	-	-	-	-	-	(Not Reported)
10.7%	3.4%	10.3%	0.9%	10.4%	3.7%	3.8%	Holes in Floor
89.3%	96.6%	89.7%	99.1%	89.6%	96.3%	96.2%	No Holes in Floor
-	-	-	-	-	-	-	(Not Reported)
31.3%	18.8%	21.4%	21.7%	28.3%	16.8%	15.5%	Rodent Infestation
68.7%	81.2%	78.6%	78.3%	71.7%	83.2%	84.5%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
34.5%	28.1%	25.7%	27.9%	64.7%	19.3%	17.6%	Cockroach Infestation
65.5%	71.9%	74.3%	72.1%	35.3%	80.7%	82.4%	No Infestation
-	-	-	-	-	-	-	(Not Reported)
12.9%	12.7%	8.2%	14.4%	17.2%	9.2%	9.3%	Toilet Breakdown
87.1%	87.3%	91.8%	85.6%	82.8%	90.8%	90.7%	No Toilet Breakdown
-	-	-	-	-	-	-	(Not Reported)
27.0%	15.3%	26.1%	16.7%	29.6%	19.4%	12.3%	Water Leakage Inside Unit
73.0%	84.7%	73.9%	83.3%	70.4%	80.6%	87.7%	No Water Leakage
-	-	-	-	-	-	-	(Not Reported)
35.1%	50.0%	37.5%	44.4%	23.8%	46.1%	56.0%	Units in Buildings w. No Maintenance Defects
22.8%	24.8%	27.3%	34.3%	23.1%	25.6%	24.5%	Units in Buildings w. 1 Maintenance Defect
16.6%	13.1%	11.9%	15.3%	17.7%	18.1%	10.5%	Units in Buildings w. 2 Maintenance Defects
11.9%	6.4%	11.2%	2.8%	17.1%	6.5%	4.8%	Units in Buildings w. 3 Maintenance Defects
7.3%	2.8%	4.2%	0.9%	10.0%	2.6%	2.2%	Units in Buildings w. 4 Maintenance Defects
6.3%	2.9%	7.9%	2.3%	8.3%	1.2%	2.1%	Units in Buildings w. 5+ Maintenance Defects
-	-	-	-	-	-	-	(Not Reported)
							Condition of Neighboring Buildings
13.4%	19.2%	24.8%	18.5%	4.2%	15.7%	24.5%	Excellent
53.7%	59.6%	53.3%	55.7%	38.0%	52.2%	56.2%	Good
26.8%	17.5%	19.6%	23.1%	40.7%	28.9%	16.2%	Fair
6.2%	3.7%	2.3%	2.6%	17.0%	3.1%	3.1%	Poor Quality
-	-	-	-	-	-	-	(Not Reported)
6.0%	3.7%	3.9%	0.4%	5.4%	4.1%	7.0%	Boarded Up/Broken Windows in Neighborhood
94.0%	96.3%	96.1%	99.6%	94.6%	95.9%	93.0%	No Boarded Up/Broken Windows in Neighborhood
-	-	-	-	-	-	-	(Not Reported)

* Other Regulated Rentals encompass In Rem units, as well as those regulated by HUD, Article 4 or 5, and the New York City Loft Board.
** Other Rentals encompass dwellings which have never been regulated, units which have been deregulated (including those in buildings with fewer than 6 apartments) and unregulated rentals in cooperatives or condominiums.

Totals may not add to 100% due to rounding.

E.1 Mortgage Interest Rates and Terms, 2017

Lending Institution	Rate (%)	Points	Term (yrs)	Type	New Volume	Refin Volume
5	4.00%	0.50	Ω	fixed	25	10
14	3.15%	0.00	NR	adj	66	32
17	NR	NR	NR	NR	5	3
28	4.00%	0.00	NR	both	25	25
30	4.00%	1.25	Ω	both	4	12
35	4.75%	0.00	NR	fixed	48	13
37	5.75%	1.00	10 yrs	fixed	NR	5
107	3.75%	0.00	Ω	adj	479	170
117	3.00%	0.00	Ω	fixed	225	170
209	4.50%	1.00	Ω	fixed	NR	NR
301	4.00%	0.50	175	fixed	15	NR
401	5.25%	0.00	30-35 yrs	fixed	47	20
402	5.00%	1.00	NR	adj	60	10
AVERAGE	**4.26%**	**0.44**	**†**	**†**	**105**	**43**

Adj adjustable rate mortgage † No average computed **NR** no response **BPS** Basis Points

Ω #5 = 5-10 yr, 2-2.5% over swaps #30 = Adjustable: 4.6 4.65 4.7 / Fixed 4.5 4.6 4.65
#107 = 5, 7 year product #117 = 5 yr: spread over swap rates 3.625 note commitment fee amt; 7 yr: 3.875; 10 yr: 4.25
#209 = 275 bps over 5 yr US Treasury

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution.

Source: 2017 NYC Rent Guidelines Board Mortgage Survey

E.2 Typical Lending Portfolio Characteristics of Rent Stabilized Buildings, 2017

Lending Institution	Maximum Loan-to-Value Standard	Debt Service Coverage	Vacancy & Collection Losses	Typical Building Size	Average Monthly O&M Cost/Unit	Average Monthly Rent/Unit
5	75%	7.5% DY	3%	100+	$600	$1,200
14	75%	1.20	0.5%	20-49	$1,500	$1,500
17	80%	1.25	5%	20-49	NR	$1,800
28	80%	1.25	3%	20-49	$375	$1,000
30	80%	1.20	3%	20-49	NR	$400
35	65%	1.25	4%	11-19	$600	$1,400
37	65%	1.20	3%	1-10	$535	$1,231
107	75%	1.20	1%	50-99	NR	NR
117	75%	1.25	4%	50-99	$650	$1,100
209	70%	1.30	4%	50-99	NR	NR
301	65%	8% DY	2%	20-49	NR	NR
401	83%	1.15	3%	100+	$615	$1,183
402	70%	1.15	3%	1-10	$350	$1,150
AVERAGE	**73.7%**	**1.22**	**2.92%**	**†**	**$653**	**$1,196**

NR no response **DY** Debt Yield † No average computed.

Notes: Average loan-to-value (LTV) and debt service coverage ratios are calculated using the midpoint when a range was given by the lending institution. Debt Yield refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100.

Source: 2017 NYC Rent Guidelines Board Mortgage Survey

E.3 Interest Rates and Terms for New Financing, Longitudinal Study, 2016-2017

	Interest Rates		Points		Term		Type	
Lending Inst.	2017	2016	2017	2016	2017	2016	2017	2016
5	4.00%	◇	0.50	0.5	Ω	NR	fixed	both
14	3.15%	3.25%	0.0	0.0	NR	◆	adj	adj
17	NR	3.50%	NR	0.0	NR	◆	NR	fixed
28	4.00%	4.50%	0.0	0.0	NR	NR	both	fixed
30	4.00%	4.00%	1.25	1.00	Ω	◆	both	both
35	4.75%	4.00%	0.0	0.00	NR	◆	fixed	NR
37	5.75%	5.50%	1.0	1.00	10 yrs	10 years	fixed	fixed
107	3.75%	3.25%	0.0	0.50	Ω	5, 7 & 10 years	adj	both
117	3.00%	3.25%	0.00	0.00	Ω	5, 7 & 10 years	fixed	fixed
209	4.50%	3.25%	1.00	1.00	Ω	◆	fixed	fixed
301	4.00%	3.50%	0.50	0.25	175	NR	fixed	fixed
401	5.25%	5.70%	0.00	0.75	30-35 yrs	30 yrs	fixed	fixed
AVERAGE	**4.20%**	**3.97%**	**0.39**	**0.42**	†	†	†	†

NR no response   † No average computed   **Adj** = adjustable rate mortgage   **BPS** Basis Points

◇ #5 = 1.5 to 2.0% over swap rates

Ω #5 = 5-10 yr, 2-2.5% over swaps   #30 = Adjustable: 4.6 4.65 4.7 / Fixed 4.5 4.6 4.65   #107 = 5, 7 year product
#117 = 5 yr: spread over swap rates 3.625 note commitment fee amt; 7 yr: 3.875; 10 yr: 4.25
#209 = 275 bps over 5 yr US Treasury

◆ #14 = Avg spread 1.60 Commitment fee 25bps   #17 = 5 and 7 years over Libor Swap Rate
#30 = 5, 7, 10 & 15 years fixed   #35 = 10 yr balloon based on 30 yr payout   #209 = 5 yrs w/ one 5 yr renewal 30 yr amortization; Full recourse.

Note: Averages for interest rates and points are calculated by using the midpoint when a range of values is given by the lending institution.

Source: 2016 and 2017 NYC Rent Guidelines Board Mortgage Surveys

E.4 Lending Standards and Vacancy & Collection Losses, Longitudinal Study, 2016-2017

	Max Loan-to-Value		Debt Service Coverage		V&C Losses	
Lending Inst.	2017	2016	2017	2016	2017	2016
5	75%	75%	7.5% DY	8% DY	3%	3%
14	75%	75%	1.20	1.20	1%	1%
17	80%	75%	1.25	1.20	5%	5%
28	80%	80%	1.25	1.25	3%	1%
30	80%	80%	1.20	1.20	3%	5%
35	65%	65%	1.25	1.15	4%	4%
37	65%	65%	1.20	1.20	3%	3%
107	75%	75%	1.20	1.20	1%	NR
117	75%	75%	1.25	1.25	4%	4%
209	70%	75%	1.30	1.25	4%	3%
301	65%	65%	8% DY	8% DY	2%	3%
401	83%	83%	1.15	1.15	3%	3%
AVERAGE	**74.0%**	**74.0%**	**1.23**	**1.21**	**2.92%**	**3.14%**

NR no response   **DY** Debt Yield

Notes: Average loan-to-value and debt service coverage ratios are calculated using the midpoint when a range is given by the lending institution. Debt Yield refers to Net Operating Income (NOI) divided by the first mortgage debt (loan) amount, times 100.

Source: 2016 and 2017 NYC Rent Guidelines Board Mortgage Surveys

E.5 Retrospective of New York City's Housing Market, 1982-2017

Year	Interest Rates for New Mortgages	Permits for New Housing Units in NYC and northern suburbs	Permits for New Housing Units in NYC only
1982	16.3%	11,598 **b**	7,649
1983	13.0%	17,249 **b**	11,795
1984	13.5%	15,961	11,566
1985	12.9%	25,504	20,332
1986	10.5%	15,298	9,782
1987	10.2%	18,659	13,764
1988	10.8%	13,486	9,897
1989	12.0%	13,896	11,546
1990	11.2%	9,076	6,858
1991	10.7%	6,406	4,699
1992	10.1%	5,694	3,882
1993	9.2%	7,314	5,173
1994	8.6%	6,553	4,010
1995	10.1%	7,296	5,135
1996	8.6%	11,457	8,652
1997	8.8%	11,619	8,987
1998	8.5%	13,532	10,387
1999	7.8%	15,326	12,421
2000	8.7%	18,077	15,050
2001	8.4%	19,636	16,856
2002	7.4%	21,423	18,500
2003	6.2%	23,778	21,218
2004	5.8%	27,695	25,208
2005	5.5%	33,606	31,599
2006	6.3%	32,609	30,927
2007	6.3%	34,514	31,902
2008	6.1%	34,715	33,911
2009	6.5%	6,665	6,057
2010	6.3%	7,406	6,727
2011	5.8%	10,326	8,936
2012	4.6%	11,170	10,334
2013	4.4%	18,963	17,995
2014	4.9%	21,580	20,428
2015	4.3%	57,559 ◆	56,183 ◆
2016	4.0%	18,057 Ø	16,269 Ø
2017	4.3%	*	*

b Prior to 1984, Bergen Co., NJ permit figures are included.

Ø Figures are preliminary.

◆ This figure has been revised from the preliminary figure reported last year to reflect the final adjusted count.

*Permit data for 2017 will be available in next year's *Mortgage Survey Report*.

Notes: Interest rate data was collected in January-February and represents a 12-month average of the preceding year. Permit data is for the entire 12-month period of the shown year. The northern suburbs include Putnam, Rockland, and Westchester counties. Sources: NYC Rent Guidelines Board, Annual Mortgage Surveys; U.S. Bureau of the Census, Manufacturing & Construction Division, Residential Construction Branch.

E.6 2017 Survey of Mortgage Financing for Multifamily Properties

I. Financing Availability and Terms for Multifamily Buildings

1a. Do you currently offer **new permanent financing** (*i.e.,* loans secured by a property not previously mortgaged by your institution) for *rent stabilized buildings?*

❑ **Yes** *(Indicate typical terms and conditions at right.)*

❑ **No**

Interest rate : __________ % (current) __________ % (12 mo. average for 2016)

Points : __________

Terms: Current 5, 7 and 10 yr spreads over swap rates and note commitment fee amount:

____

____

____

____

Type: Fixed / Adjustable *(circle one)*

Special conditions: ______________________

____

1b. How many loans were made by your institution in 2016 for new permanent financing of *rent stabilized buildings?*

Number of loans: ______________________

2. How many loans did your institution **refinance** in 2016 for *rent stabilized buildings?*

Number of loans: ______________________

3a. In the past year, has the **total volume of new and refinanced loans** underwritten by your institution changed significantly (by at least 5%)?

❑ Yes, we have experienced a significant __________ (increase / decrease) of about _______ %.

❑ No, it is about the same. *(Please skip Question 3b).*

3b. If **loan volume** has changed significantly, is the change attributable to:

(Please check and fill in all applicable choices.)

❑ A significant __________ (increase / decrease) in the volume of loan **applications** of about _____ %.

❑ A significant __________ (increase / decrease) in the rate of application **approvals** of about _____ %.

Are there any **trends** related to financing availability and terms on which you wish to comment?

____

____

____

____

2

II. Underwriting Criteria for Rent Stabilized Buildings

4a. What **standards** does your institution employ when assessing loan applications for *rent stabilized buildings?*

		N.A.
Maximum LTV:	__________	❑
Minimum DSCR or Debt Yield:	__________	❑

4b. Please provide any **other standards** your institution employs when assessing loan applications. If you do not employ the standard given, place an "X" in the "N.A." column.

*(Indicate an **average, minimum, or maximum** criteria.)*

		N.A.
Number of Units in Building:	__________	❑
Building Age:	__________	❑
Borrower Lives in Building:	__________	❑
Overall Building Maintenance:	__________	❑
Co-op / Condo Conversion Potential:	__________	❑
Other *(Please Specify)*:	__________	❑

5. Did your institution change its **underwriting practices** for financing or refinancing *rent stabilized buildings* over the past year?

❑ Yes.

❑ No. *(If no, please skip to Question 7).*

6. Yes, we changed our **underwriting practices** for *rent stabilized buildings* to:

(Please check and fill in all applicable choices.)

❑ Use ________ (more / less) stringent approvals.

❑ Require ________ (higher / lower) fees (i.e., points or fees).

❑ ______________ (Increase / Decrease) loan-to-value ratio.

❑ ______________ (Increase / Decrease) monitoring requirements.

❑ ______________ (Discontinue / Reduce / Expand) lending to rent stabilized buildings.

❑ Other : ______________________

III. Additional Mortgage Questions

7. How many **dwelling units** are contained in the average *rent stabilized building* financed by your institution? *(Please check only one.)*

❑ 1 -10 ❑ 11 - 19 ❑ 20 - 49
❑ 50 - 99 ❑ 100 or more

8. Which of the following best describes the average **vacancy and collection loss** for *rent stabilized buildings* during the past year? *(Please check only one.)*

❑ < 1% ❑ 1% ❑ 2%
❑ 3% ❑ 4% ❑ 5%
❑ 6% ❑ 7% ❑ > 7%

9. Approximately what percentage of your loans to *rent stabilized buildings* are **currently non-performing?**

❑ None
❑ Approximately ________ %.

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10. Approximately what percentage of your loans to *rent stabilized buildings* are **currently in foreclosure?**

❑ None
❑ Approximately ________ %.

11a. Does your institution **retain the mortgages** you offer or do you sell any to secondary markets?

❑ We retain all the mortgages sold. *(If so, please skip to question 12.)*
❑ We sell all our mortgages to secondary markets.
❑ We sell ____% of our mortgages to secondary markets.

11b. To whom do you **sell your mortgages?** *(Please check and fill in all applicable choices.)*

❑ Fannie Mae
❑ Freddie Mac
❑ Other: ______________________

____

____

12. In your sector, who are your **major competitors** in multi-family lending?

____

____

13. Do the mortgages offered to *rent stabilized buildings* include any **commercial space?**

❑ No
❑ Yes. Approximately what percentage of buildings in your portfolio have commercial space? ________%

14. What is your best estimate of average **operating and maintenance costs** per unit per month in the *rent stabilized buildings* financed by your institution?

$ ______________ ***per unit per month***

(Include the following operating and maintenance costs in your estimate: Real Estate & Other Taxes, Labor, Fuel, Utilities, Contractor Services, Administration — including Legal, Management and other costs — Insurance, Parts & Supplies, and Replacement Costs.)

15. What is your best estimate of **average rent per unit per month** in the *rent stabilized buildings* financed by your institution?

$ ______________ ***per unit per month***

16. Do any of your **lending or underwriting standards differ** for *rent stabilized buildings* as opposed to non-stabilized multifamily properties? *(Please check all that apply)*

New Financing Rates:	❑ Higher	❑ Lower	❑ Same
Refinancing Rates:	❑ Higher	❑ Lower	❑ Same
Loan-to-Value Ratio:	❑ Higher	❑ Lower	❑ Same
Debt Service Coverage:	❑ Higher	❑ Lower	❑ Same

17. On average, how does your portfolio of *rent stabilized buildings* **perform** as compared with expectations at the time of the initial loan originations? *(Please check all that apply)*

Net Operating Income:	❑ Better	❑ Worse	❑ Same
Debt Service Coverage:	❑ Better	❑ Worse	❑ Same
O&M Expenses:	❑ Better	❑ Worse	❑ Same

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18. Please estimate the **average mortgage loan payment per unit per month** for a typical building in your portfolio:

$ __________.

19. Are there any **additional trends** relating to underwriting criteria, non-performing loans & foreclosure, or the mortgage market in general on which you wish to comment?

____

____

____

____

____

Thank you for taking the time to complete the survey. If you have any questions, please contact RGB Research Director Brian Hoberman at (212) 669-7484 or bhoberman@nycrgb.org.

Findings will be published in the 2017 *Mortgage Survey Report*, which is scheduled to be released by the beginning of April.

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E.7 Rent Stabilized Building Sales Volume, Citywide and by Borough, and Percent Change, 2006-2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Citywide*	**1,433**	**1,474**	**1,021**	**521**	**541**	**709**	**1,135**	**1,431**	**1,356**	**1,361**	**1,167**
% Change from Prior Yr	**-**	***2.9%***	***-30.7%***	***-49.0%***	***3.8%***	***31.1%***	***60.1%***	***26.1%***	***-5.2%***	***0.4%***	***-14.3%***
Bronx	224	319	171	100	131	130	204	245	302	262	234
% Change from Prior Yr	-	*42.4%*	*-46.4%*	*-41.5%*	*31.0%*	*-0.8%*	*56.9%*	*20.1%*	*23.3%*	*-13.2%*	*-10.7%*
Brooklyn	593	520	426	199	185	258	396	472	494	499	378
% Change from Prior Yr	-	*-12.3%*	*-18.1%*	*-53.3%*	*-7.0%*	*39.5%*	*53.5%*	*19.2%*	*4.7%*	*1.0%*	*-24.2%*
Manhattan	403	470	243	146	144	225	419	466	393	438	407
% Change from Prior Yr	-	*16.6%*	*-48.3%*	*-39.9%*	*-1.4%*	*56.3%*	*86.2%*	*11.2%*	*-15.7%*	*11.5%*	*-7.1%*
Queens	213	165	181	76	81	96	116	248	167	162	148
% Change from Prior Yr	-	*-22.5%*	*9.7%*	*-58.0%*	*6.6%*	*18.5%*	*20.8%*	*113.8%*	*-32.7%*	*-3.0%*	*-8.6%*

*Note: Staten Island buildings are excluded due to the small number of rent stabilized buildings sold.

Source: NYC Department of Finance

E.8 Rent Stabilized Building Median Sales Price and Sales Volume, by Borough and Building Size, and Percent Change in Sales, 2015-2016

	2015 Median Sale Price	2016 Median Sale Price	2015 # of Sales	2016 # of Sales	Change in Sales from 2015-16
Citywide					
All buildings*	$3,800,000	$4,500,000	1,361	1,167	-14.3%
6-10 units	$1,600,000	$1,748,205	581	458	-21.2%
11-19 units	$3,511,235	$3,831,250	213	192	-9.9%
20-99 units	$7,075,000	$8,250,000	532	475	-10.7%
100+ units	$32,650,562	$41,862,500	35	42	20.0%
Bronx					
All buildings*	$3,253,000	$3,562,500	262	234	-10.7%
6-10 units	$920,000	$1,050,000	60	59	-1.7%
11-19 units	$1,830,000	$2,152,274	31	40	29.0%
20-99 units	$4,907,500	$5,497,559	164	130	-20.7%
Brooklyn					
All buildings*	$2,500,000	$2,600,000	499	378	-24.2%
6-10 units	$1,542,500	$1,800,000	290	233	-19.7%
11-19 units	$2,840,700	$3,500,000	67	48	-28.4%
20-99 units	$9,000,000	$8,400,000	130	94	-27.7%
Manhattan					
All buildings*	$7,170,000	$8,000,000	438	407	-7.1%
6-10 units	$5,675,261	$5,050,000	117	86	-26.5%
11-19 units	$6,500,000	$6,270,000	100	89	-11.0%
20-99 units	$9,075,000	$9,850,000	211	205	-2.8%
Queens					
All buildings*	$1,642,500	$2,150,000	162	148	-8.6%
6-10 units	$1,387,500	$1,350,000	114	80	-29.8%
11-19 units	$2,735,000	$4,300,000	15	15	0.0%
20-99 units	$8,400,000	$11,813,642	27	46	70.4%

Note: Staten Island buildings, as well as all 100+ unit buildings by borough, are excluded due to the small number of buildings sold.

* “All buildings” totals include buildings with 100 or more units. Therefore, these figures may not equal the sum of their subsets. In addition, Citywide figures do not contain Staten Island building sales.

Source: NYC Department of Finance

F.1 Average Annual Employment Statistics by Area, 2005-2016

Unemployment Rate	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Bronx	7.6%	6.7%	6.8%	7.6%	12.0%	12.0%	11.9%	12.4%	11.8%	9.8%	7.8%	7.1%
Brooklyn	6.2%	5.4%	5.4%	6.0%	9.9%	9.9%	9.6%	9.8%	9.4%	7.6%	5.9%	5.3%
Manhattan	5.1%	4.3%	4.3%	4.9%	8.4%	8.6%	7.8%	8.0%	7.5%	6.1%	4.9%	4.5%
Queens	5.2%	4.5%	4.5%	5.0%	8.4%	8.6%	8.1%	8.3%	7.7%	6.4%	5.0%	4.5%
Staten Island	5.3%	4.5%	4.6%	5.1%	8.2%	9.4%	9.2%	9.5%	9.0%	7.5%	5.8%	5.2%
NYC	**5.8%**	**5.0%**	**5.0%**	**5.6%**	**9.3%**	**9.5%**	**9.1%**	**9.3%**	**8.8%**	**7.3%**	**5.7%**	**5.2%**
U.S.	**5.1%**	**4.6%**	**4.6%**	**5.8%**	**9.3%**	**9.6%**	**8.9%**	**8.1%**	**7.4%**	**6.2%**	**5.3%**	**4.9%**
Labor Force Participation Rate												
NYC Δ	59.2%	59.0%	59.1%	59.7%	59.9%	60.0%	59.7%	60.0%	60.2%	60.3%	60.2%	60.3%
U.S.	66.0%	66.2%	66.0%	66.0%	65.4%	64.7%	64.1%	63.7%	63.2%	62.9%	62.7%	62.8%
Employment-Population Ratio												
NYC Δ	55.8%	56.1%	56.1%	56.4%	54.3%	54.3%	54.3%	54.4%	54.9%	55.9%	56.8%	57.2%
U.S.	62.7%	63.1%	63.0%	62.2%	59.3%	58.5%	58.4%	58.6%	58.6%	59.0%	59.3%	59.7%
Gross City Product (NYC)												
Billions, in 2009 $	575.8	603.2	627.2	615.9	602.2	632.9	644.1	657.9	678.4	697.5	720.5	741.3
% Change	4.66%	4.77%	3.98%	-1.81%	-2.22%	5.10%	1.76%	2.14%	3.12%	2.81%	3.30%	2.89%
Gross Domestic Product (U.S.)												
Billions, in 2009 $	14,234.2	14,613.8	14,873.7	14,830.4	14,418.7	14,783.8	15,020.6	15,354.6	15,612.2	15,982.3	16,397.2	16,659.8
% Change	3.34%	2.67%	1.78%	-0.29%	-2.78%	2.53%	1.60%	2.22%	1.68%	2.37%	2.60%	1.60%

Notes: The NYC Comptroller's Office revises the Gross City Product periodically. The GCP & GDP figures presented here may not be the same as those reported in prior years. Note that GCP and GDP figures are preliminary. The NYS Department of Labor also periodically revises unemployment rates, and rates reflected here might not match those figures reported in prior years.

Sources: U.S. Bureau of Labor Statistics; U.S. Bureau of Economic Analysis, NYS Department of Labor; NYC Comptroller's Office.

Δ Unpublished data from the Bureau of Labor Statistics. These figures are revised periodically.

F.2 Average Payroll Employment by Industry for NYC, 2007-2016 (in thousands)

Industry Employment	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-2016 Change
Manufacturing	101.0	95.6	81.6	76.3	75.7	76.3	76.4	76.6	77.8	76.3	-1.9%
Construction, Natural Resources & Mining	127.3	132.7	120.8	112.5	112.3	116.1	122.2	129.2	139.3	146.3	5.0%
Trade, Transport & Utilities	570.6	574.6	552.7	559.7	575.6	590.5	605.0	620.6	630.2	629.4	-0.1%
Leisure & Hospitality	297.8	310.2	308.5	322.2	342.2	365.7	385.4	408.5	427.8	437.6	2.3%
Financial Activities	467.2	464.6	433.9	428.3	439.1	438.8	437.5	449.2	459.3	465.8	1.4%
Information	166.8	169.5	165.2	165.9	170.8	175.7	179.2	185.0	189.0	192.6	1.9%
Professional & Business Svcs.	592.3	603.4	569.2	575.3	597.5	619.3	642.9	669.0	700.0	723.4	3.3%
Educational & Health Svcs.	721.6	736.3	752.6	771.6	789.2	805.6	831.1	866.4	896.9	930.2	3.7%
Other Services	157.7	160.8	160.3	160.6	165.2	170.4	174.9	180.2	185.0	187.3	1.2%
Total Private Sector	3,202.2	3,247.7	3,144.7	3,172.5	3,267.5	3,358.5	3,454.5	3,584.7	3,705.2	3,788.8	2.3%
Government ‡	559.0	564.1	567.0	558.0	550.6	546.1	544.4	545.4	549.9	552.4	0.5%
City of New York	453.9	458.5	462.1	451.4	451.7	450.0	450.1	452.9	457.2	459.0	0.4%
Total	**3,761.2**	**3,811.8**	**3,711.7**	**3,730.5**	**3,818.1**	**3,904.6**	**3,998.9**	**4,130.1**	**4,255.1**	**4,341.2**	**2.0%**

Notes: Totals may not add up due to rounding. Figures may have been revised from prior years by the NYS Department of Labor. Total excludes farm employment but includes unclassified jobs.

‡ Government includes federal, state, and local (City of New York) jobs located in NYC. Local government figures have been revised from prior years to include those employed by the City of New York as well as city-based public corporations such as the Health and Hospitals Corporation and the Metropolitan Transportation Authority.

Source: NYS Department of Labor

F.3 Average Real Wage Rates by Industry for NYC, 2008-2016 (2016 dollars)

Industry	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-16 % Change
Construction	$75,465	$76,389	$76,751	$76,243	$74,353	$74,207	$73,975	$75,507	$79,051	4.7%
Manufacturing	$59,054	$57,639	$57,028	$57,895	$54,914	$52,872	$54,119	$55,937	$58,017	3.7%
Transportation	$51,724	$51,967	$52,499	$52,583	$51,760	$51,691	$54,224	$53,298	$55,960	5.0%
Trade*	$54,170	$51,875	$51,617	$52,530	$52,135	$53,278	$52,425	$53,091	$54,868	3.3%
Finance and Insurance	$314,421	$253,348	$286,354	$288,745	$261,891	$278,717	$294,406	$294,580	$281,261	-4.5%
Real Estate	$69,254	$65,203	$65,360	$66,872	$67,233	$69,111	$71,149	$75,064	$77,687	3.5%
Admin/Waste/Edu/Health**	$52,195	$52,516	$52,976	$52,529	$51,753	$51,812	$51,907	$53,144	$54,366	2.3%
Arts, Entertainment & Rec	$69,014	$68,348	$70,069	$69,599	$65,893	$64,431	$65,530	$69,501	$71,891	3.4%
Accomm & Food Svcs.	$32,325	$30,950	$31,115	$31,227	$30,938	$30,817	$31,378	$31,833	$33,390	4.9%
Other Svcs.	$47,320	$47,101	$48,500	$48,013	$45,110	$44,753	$45,202	$46,459	$48,378	4.1%
Professional & Tech Svcs.	$119,982	$117,272	$117,301	$121,108	$118,384	$118,822	$121,250	$124,664	$127,166	2.0%
Management of Companies	$200,517	$172,661	$199,698	$204,666	$194,255	$193,018	$193,776	$192,770	$183,910	-4.6%
Information	$117,989	$113,094	$115,945	$118,096	$119,029	$123,670	$129,205	$133,425	$136,974	2.7%
Utilities	$104,600	$99,505	$104,166	$105,811	$116,575	--Δ	--Δ	$113,120	$117,156	3.6%
Unclassified/Agri/Mining***	$43,040	$37,739	$42,350	$43,151	$41,330	$40,962	$43,352	$41,840	$40,734	-2.6%
Private Sector	$95,066	$85,695	$88,898	$89,810	$85,507	$86,644	$88,387	$89,562	$89,480	-0.1%
Government	$60,810	$61,674	$62,084	$62,470	$60,957	$60,431	$61,465	$63,457	$64,487	1.6%
Total Industries	**$89,947**	**$82,025**	**$84,778**	**$85,800**	**$82,010**	**$82,985**	**$84,746**	**$86,114**	**$86,234**	**0.1%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The New York State Department of Labor revises the statistics annually. Real wages reflect 2016 dollars and differ from those found in this table in prior years.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

F.4 Average Nominal Wage Rates by Industry for NYC, 2008-2016

Industry	2008	2009	2010	2011	2012	2013	2014	2015	2016	2015-16 % Change
Construction	$67,396	$68,738	$70,232	$71,478	$71,262	$72,436	$73,247	$74,900	$79,051	5.5%
Manufacturing	$52,739	$51,866	$52,184	$54,277	$52,631	$51,611	$53,586	$55,488	$58,017	4.6%
Transportation	$46,193	$46,762	$48,040	$49,296	$49,608	$50,457	$53,691	$52,870	$55,960	5.8%
Trade*	$48,378	$46,680	$47,232	$49,247	$49,967	$52,007	$51,909	$52,665	$54,868	4.2%
Finance and Insurance	$280,801	$227,972	$262,032	$270,698	$251,002	$272,067	$291,510	$292,213	$281,261	-3.7%
Real Estate	$61,848	$58,673	$59,809	$62,692	$64,438	$67,462	$70,449	$74,461	$77,687	4.3%
Admin/Waste/Edu/Health**	$46,614	$47,256	$48,476	$49,246	$49,601	$50,575	$51,397	$52,717	$54,366	3.1%
Arts, Entertainment & Rec	$61,635	$61,502	$64,117	$65,249	$63,153	$62,894	$64,886	$68,942	$71,891	4.3%
Accomm & Food Svcs.	$28,869	$27,850	$28,472	$29,275	$29,652	$30,082	$31,069	$31,577	$33,390	5.7%
Other Svcs.	$42,260	$42,383	$44,380	$45,012	$43,235	$43,685	$44,757	$46,086	$48,378	5.0%
Professional & Tech Svcs.	$107,153	$105,526	$107,338	$113,538	$113,462	$115,987	$120,058	$123,662	$127,166	2.8%
Management of Companies	$179,076	$155,367	$182,736	$191,873	$186,178	$188,413	$191,870	$191,221	$183,910	-3.8%
Information	$105,373	$101,766	$106,097	$110,714	$114,080	$120,719	$127,934	$132,353	$136,974	3.5%
Utilities	$93,415	$89,538	$95,318	$99,197	$111,728	--Δ	--Δ	$112,211	$117,156	4.4%
Unclassified/Agri/Mining***	$38,438	$33,959	$38,753	$40,454	$39,612	$39,985	$42,926	$41,504	$40,734	-1.9%
Private Sector	$84,900	$77,112	$81,347	$84,196	$81,952	$84,577	$87,517	$88,842	$89,480	0.7%
Government	$54,308	$55,497	$56,811	$58,566	$58,423	$58,989	$60,860	$62,947	$64,487	2.4%
Total Industries	**$80,329**	**$73,809**	**$77,577**	**$80,437**	**$78,600**	**$81,005**	**$83,913**	**$85,422**	**$86,234**	**1.0%**

Note: Each year refers to the first three quarters of that year, and the fourth quarter of the prior year. The NYS Department of Labor revises the statistics annually.

*The Wholesale Trade and Retail Trade sectors have been combined into one category. **The Administrative and Waste Service, Educational Services, and Health Care and Social Assistance Service have been combined into one category. ***The Unclassified; Agriculture, Forestry, Fishing Hunting; and Mining sectors have been combined into one category.

Δ Wages for the this industry were not reported by the NYS Department of Labor during this time period due to the small number of respondents, and corresponding privacy concerns.

Source: New York State Department of Labor, Research and Statistics Division.

F.5 Consumer Price Index for All Urban Consumers, NY-Northeastern NJ, 2006-2016

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
March	218.2	224.6	233.1	235.1	240.1	245.6	251.9	256.6	260.0	259.6	261.5
June	222.6	228.3	238.6	237.2	240.8	248.5	252.4	256.9	261.4	261.5	263.9
September	222.9	228.3	240.1	238.6	241.5	250.6	254.6	258.5	261.1	261.9	264.6
December	221.3	229.4	233.0	238.4	241.9	248.3	253.6	257.3	258.1	259.9	265.4
Quarterly Average	221.3	227.6	236.2	237.3	241.1	248.2	253.1	257.3	260.1	260.7	263.9
Yearly Average	**220.7**	**226.9**	**235.8**	**236.8**	**240.9**	**247.7**	**252.6**	**256.8**	**260.2**	**260.6**	**263.4**

12-month percentage change in the CPI

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
March	2.73%	2.91%	3.82%	0.83%	2.14%	2.30%	2.55%	1.87%	1.32%	-0.12%	0.72%
June	5.65%	2.54%	4.52%	-0.59%	1.54%	3.19%	1.57%	1.78%	1.73%	0.06%	0.90%
September	3.29%	2.43%	5.16%	-0.63%	1.22%	3.76%	1.59%	1.55%	0.99%	0.31%	1.04%
December	3.31%	3.66%	1.58%	2.32%	1.45%	2.66%	2.11%	1.47%	0.31%	0.72%	2.11%
Quarterly Average	3.74%	2.88%	3.77%	0.47%	1.58%	2.98%	1.96%	1.67%	1.09%	0.24%	1.19%
Yearly Average	**3.76%**	**2.83%**	**3.90%**	**0.44%**	**1.71%**	**2.85%**	**1.97%**	**1.68%**	**1.32%**	**0.13%**	**1.08%**

Source: U.S. Bureau of Labor Statistics; Base Period: 1982-1984=100

F.6 Housing Court Actions, 1983-2016

Year	Filings	Calendared	Evictions & Possessions
1983	373,000	93,000	26,665
1984	343,000	85,000	23,058
1985	335,000	82,000	20,283
1986	312,000	81,000	23,318
1987	301,000	77,000	25,761
1988	299,000	92,000	24,230
1989	299,000	99,000	25,188
1990	297,000	101,000	23,578
1991	302,000	114,000	20,432
1992	289,000	122,000	22,098
1993	295,000	124,000	21,937
1994	294,000	123,000	23,970
1995	266,000	112,000	22,806
1996	278,000	113,000	24,370
1997	274,000	111,000	24,995
1998	278,156	127,851	23,454
1999	276,142	123,399	22,676

Year	Filings	Calendared	Evictions & Possessions
2000	276,159	125,787	23,830
2001	277,440	130,897	21,369*
2002	331,309	132,148	23,697
2003	318,077	133,074	23,236
2004	261,085	121,999	22,010
2005	261,457	119,265	21,945
2006	256,747	122,379	23,491
2007	251,390	121,793	24,171
2008	246,147	120,420	24,600
2009	251,871	123,149	26,449
2010	213,066**	127,396	25,655
2011	221,182	126,315	27,636
2012	217,914	132,860	28,743
2013	215,497	122,463	28,849
2014	208,158	127,334	26,857
2015	203,119	111,409	21,988
2016	**202,300**	**105,431**	**22,089**

Note: “Filings” reflect non-payment proceedings initiated by rental property owners, while “Calendared” reflect those non-payment proceedings resulting in a court appearance. “Filings” and “Calendared” figures prior to 1998 were rounded to the nearest thousand.

*Note: 2001 Evictions and Possessions data is incomplete as it excludes the work of one city marshal who died in May 2001 and whose statistics are unavailable.

**Due to an administrative change at NYCHA relating to their handling of late rent payments, the number of non-payment filings decreased dramatically. If not for this change, the drop in non-payment filings between 2009 and 2010 would have been significantly less, or nonexistent.

Sources: NYC Civil Court, First Deputy Chief Clerk for Housing; NYC Department of Investigations, Bureau of City Marshals.

F.7 Homeless Statistics, 1982-2016

Year	Single Adults	Children	Families (inc. children)	Total Individuals
1982	3,786	2,507	1,005	7,584
1983	5,061	4,887	1,960	12,468
1984	6,228	7,432	2,981	17,491
1985	7,217	9,196	3,688	21,154
1986	8,890	10,493	4,286	24,896
1987	9,628	11,163	4,986	27,225
1988	9,675	11,401	5,091	27,646
1989	9,342	8,614	4,105	23,254
1990	8,535	6,966	3,591	20,131
1991	7,689	8,867	4,581	22,498
1992	6,922	9,607	5,270	23,494
1993	6,413	9,760	5,626	23,748
1994	6,235	9,610	5,629	23,431
1995	6,532	9,927	5,627	23,950
1996	7,020	9,945	5,692	24,554
1997	7,090	8,437	4,793	22,145
1998	6,875	8,054	4,558	21,277
1999	6,778	8,826	4,965	22,575
2000	6,934	9,290	5,192	23,712
2001	7,479	11,427	6,154	27,799
2002	7,750	14,952	8,071	34,576
2003	8,199	16,705	9,203	38,310
2004	8,612	15,705	8,922	37,319
2005	8,174	13,534	8,194	33,687
2006	7,662	12,597	8,339	32,430
2007	6,942	14,060	9,075	34,109
2008	6,530	14,327	8,856	33,554
2009	6,764	15,326	9,719	35,915
2010	7,825	14,788	9,635	36,175
2011	8,543	15,501	9,573	37,765
2012	9,047	18,068	10,705	43,295
2013	9,862	21,163	12,062	49,408
2014	10,591	23,511	13,317	54,122
2015	12,014	23,658	14,037	57,158
2016	**13,148**	**23,199**	**14,953**	**58,770**

Note: Data presented are the annual averages of the Department of Homeless Services shelter population. Street homelessness is not quantified in this data.

Source: NYC Department of Homeless Services

F.8 Poverty Rates, 2005-2015

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
U.S.	13.3%	13.3%	13.0%	13.2%	14.3%	15.3%	15.9%	15.9%	15.8%	15.5%	14.7%
New York City	19.1%	19.2%	18.5%	18.2%	18.7%	20.1%	20.9%	21.2%	20.9%	20.9%	20.0%
Bronx	29.2%	29.1%	27.1%	27.6%	28.5%	30.2%	30.4%	31.0%	30.9%	31.6%	30.4%
Brooklyn	22.4%	22.6%	21.9%	21.1%	21.8%	23.0%	23.6%	24.3%	23.3%	23.4%	22.3%
Manhattan	17.9%	18.3%	17.6%	16.9%	16.6%	16.4%	18.3%	17.8%	18.9%	17.6%	17.6%
Queens	11.9%	12.2%	12.0%	12.1%	12.6%	15.0%	15.8%	16.2%	15.3%	15.2%	13.8%
Staten Island	11.0%	9.2%	9.8%	10.0%	11.2%	11.8%	11.7%	11.6%	12.8%	14.5%	14.4%

Source: 2005-2015 American Community Survey

F.9 Housing and Vacancy Survey Data, Rent Stabilized Apartments, 2011 and 2014

	2011[1]		2014[2]	
	Number	Percent	Number	Percent
Household Income				
<$5,000/Loss/No Income	50,567	5.3%	45,931	4.6%
$5,000 to $9,999	78,016	8.1%	68,689	6.8%
$10,000 to $14,999	75,667	7.9%	67,045	6.7%
$15,000 to $19,999	70,637	7.4%	66,380	6.6%
$20,000 to $24,999	64,639	6.7%	71,504	7.1%
$25,000 to $29,999	55,784	5.8%	56,465	5.6%
$30,000 to $34,999	57,365	6.0%	61,000	6.1%
$35,000 to $39,999	49,981	5.2%	46,169	4.6%
$40,000 to $49,999	90,797	9.4%	95,211	9.4%
$50,000 to $59,999	72,509	7.5%	76,714	7.6%
$60,000 to $69,999	56,806	5.9%	64,029	6.4%
$70,000 to $79,999	53,914	5.6%	50,299	5.0%
$80,000 to $89,999	37,375	3.9%	45,547	4.5%
$90,000 to $99,999	28,821	3.0%	29,967	3.0%
$100,000 to $124,999	49,282	5.1%	64,149	6.4%
$125,000 to $149,999	25,899	2.7%	34,064	3.4%
$150,000 or More	42,812	4.5%	64,933	6.4%
Median	$37,000	-	$40,600	-
Mean	$51,367	-	$60,030	-
Contract Rent				
<$200	2,760	0.3%	2,521	0.3%
$200 to $299	6,187	0.7%	4,614	0.5%
$300 to $399	6,766	0.7%	5,370	0.5%
$400 to $499	11,879	1.3%	8,441	0.9%
$500 to $599	23,937	2.5%	13,959	1.4%
$600 to $699	42,934	4.5%	25,733	2.6%
$700 to $799	72,226	7.6%	49,041	4.9%
$800 to $899	101,486	10.7%	72,098	7.3%
$900 to $999	122,179	12.9%	98,771	10.0%
$1,000 to $1,249	263,560	27.8%	271,883	27.4%
$1,250 to $1,499	133,306	14.1%	162,094	16.3%
$1,500 to $1,749	89,454	9.4%	117,630	11.9%
$1,750 to $1,999	41,781	4.4%	63,529	6.4%
$2,000 or More	28,345	3.0%	95,802	9.7%
No Cash Rent	14,069	-	16,611	-
Median	$1,050	-	$1,200	-
Mean	$1,137	-	$1,317	-
Contract-Rent-to-Income Ratio				
<10%	47,858	5.2%	44,095	4.6%
10% to 14%	80,265	8.8%	82,804	8.6%
15% to 19%	106,840	11.7%	108,973	11.3%
20% to 24%	103,692	11.4%	106,903	11.1%
25% to 29%	85,595	9.4%	89,306	9.2%
30% to 34%	74,226	8.1%	75,595	7.8%
35% to 39%	48,025	5.3%	58,914	6.1%
40% to 49%	78,151	8.6%	89,448	9.2%
50% to 59%	50,588	5.5%	54,225	5.6%
60% to 69%	39,963	4.4%	48,818	5.0%
70% to 79%	36,792	4.0%	29,569	3.1%
80% or More	160,732	17.6%	178,403	18.4%
Not Computed	48,142	-	41,043	-
Median	31.9%	-	33.0%	-
Mean	43.1%	-	43.9%	-

1. 2011 HVS reflects 2010 incomes.
2. 2014 HVS reflects 2013 incomes.

Note: 2011 and 2014 data values are imputed.

Source: 2011 and 2014 New York City Housing and Vacancy Survey Tables, U.S. Bureau of the Census.

G.1 Permits Issued For Housing Units in New York City, 1960-2017

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1961	--	--	--	--	--	**70,606**
1962	--	--	--	--	--	**70,686**
1963	--	--	--	--	--	**49,898**
1964	--	--	--	--	--	**20,594**
1965	--	--	--	--	--	**25,715**
1966	--	--	--	--	--	**23,142**
1967	--	--	--	--	--	**22,174**
1968	--	--	--	--	--	**22,062**
1969	--	--	--	--	--	**17,031**
1970	--	--	--	--	--	**22,365**
1971	--	--	--	--	--	**32,254**
1972	--	--	--	--	--	**36,061**
1973	--	--	--	--	--	**22,417**
1974	--	--	--	--	--	**15,743**
1975	--	--	--	--	--	**3,810**
1976	--	--	--	--	--	**5,435**
1977	--	--	--	--	--	**7,639**
1978	--	--	--	--	--	**11,096**
1979	--	--	--	--	--	**14,524**
1980	--	--	--	--	--	**7,800**
1981	--	--	--	--	--	**11,060**
1982	--	--	--	--	--	**7,649**
1983	--	--	--	--	--	**11,795**
1984	--	--	--	--	--	**11,566**
1985	1,263	1,068	12,079	2,211	3,711	**20,332**
1986	920	1,278	1,622	2,180	3,782	**9,782**
1987	931	1,650	3,811	3,182	4,190	**13,764**
1988	967	1,629	2,460	2,506	2,335	**9,897**
1989	1,643	1,775	2,986	2,339	2,803	**11,546**
1990	1,182	1,634	2,398	704	940	**6,858**
1991	1,093	1,024	756	602	1,224	**4,699**
1992	1,257	646	373	351	1,255	**3,882**
1993	1,293	1,015	1,150	530	1,185	**5,173**
1994	846	911	428	560	1,265	**4,010**
1995	853	943	1,129	738	1,472	**5,135**
1996	885	942	3,369	1,301	2,155	**8,652**
1997	1,161	1,063	3,762	1,144	1,857	**8,987**
1998	1,309	1,787	3,823	1,446	2,022	**10,387**
1999	1,153	2,894	3,791	2,169	2,414	**12,421**
2000	1,646	2,904	5,110	2,723	2,667	**15,050**
2001	2,216	2,973	6,109	3,264	2,294	**16,856**
2002	2,626	5,247	5,407	3,464	1,756	**18,500**
2003	2,935	6,054	5,232	4,399	2,598	**21,218**
2004	4,924	6,825	4,555	6,853	2,051	**25,208**
2005	4,937	9,028	8,493	7,269	1,872	**31,599**
2006	4,658	9,191	8,790	7,252	1,036	**30,927**
2007	3,088	10,930	9,520	7,625	739	**31,902**
2008	2,482	12,744	9,700	7,730	1,255	**33,911**
2009	1,647	1,003	1,363	1,474	570	**6,057**
2010	1,064	2,093	704	2,358	508	**6,727**
2011	1,116	1,522	2,535	3,182	581	**8,936**
2012	2,552	3,353	2,328	1,428	673	**10,334**
2013	2,638	6,140	4,856	3,161	1,200	**17,995**
2014	1,885	7,551	5,435	4,900	712	**20,483**
2015	4,682	26,026	12,612	12,667	541	**56,528**
2016	**4,003**	**4,503**	**4,024**	**2,838**	**901**	**16,269**
2017 (1st Qtr)Ω	1,124 (866)	2,097 (482)	1,486 (297)	1,434 (368)	202 (145)	**6,343 (2,158)**

Ω First three months of 2017. The number of permits issued in the first three months of 2016 is in parenthesis.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.2 Permits Issued by Building Size & Borough (In Percentages), 2008-2016

Year/Borough	1-Family	2-Family	3/4 Family	5 or More-Family	Total Buildings
2008					
Bronx	43.4%	17.7%	23.1%	15.8%	373
Brooklyn	0.0%	25.0%	18.7%	56.3%	787
Manhattan	2.0%	0.0%	0.0%	98.0%	152
Queens	18.5%	42.3%	14.8%	24.4%	755
Staten Island	50.4%	40.1%	0.5%	9.0%	367
Citywide	*20.1%*	*30.0%*	*14.3%*	*35.7%*	*2,434*
2009					
Bronx	38.1%	14.4%	20.6%	26.9%	160
Brooklyn	0.8%	28.2%	38.9%	32.1%	131
Manhattan	0.0%	0.0%	11.8%	88.2%	34
Queens	29.7%	43.3%	16.0%	11.0%	418
Staten Island	48.0%	49.8%	0.0%	2.2%	271
Citywide	*31.2%*	*37.1%*	*15.3%*	*16.5%*	*1,014*
2010					
Bronx	9.2%	38.5%	23.1%	29.2%	65
Brooklyn	3.6%	31.4%	27.9%	37.1%	140
Manhattan	0.0%	18.2%	9.1%	72.7%	11
Queens	12.4%	67.2%	11.2%	9.2%	509
Staten Island	71.9%	27.2%	0.6%	0.3%	349
Citywide	*30.3%*	*47.3%*	*10.6%*	*11.8%*	*1,074*
2011					
Bronx	1.5%	35.3%	19.1%	44.1%	68
Brooklyn	0.0%	44.3%	30.5%	25.3%	174
Manhattan	3.6%	0.0%	3.6%	92.9%	28
Queens	21.5%	57.0%	11.9%	9.6%	386
Staten Island	52.5%	47.2%	0.0%	0.3%	341
Citywide	*26.5%*	*48.3%*	*11.3%*	*13.8%*	*997*
2012					
Bronx	5.9%	39.3%	17.0%	37.8%	135
Brooklyn	0.4%	20.5%	36.9%	42.2%	249
Manhattan	9.5%	4.8%	0.0%	85.7%	42
Queens	26.8%	41.9%	16.9%	14.4%	284
Staten Island	64.1%	34.6%	0.0%	1.3%	298
Citywide	*27.8%*	*32.5%*	*16.2%*	*23.5%*	*1,008*
2013					
Bronx	2.4%	41.6%	12.0%	44.0%	125
Brooklyn	0.0%	19.8%	31.6%	48.6%	364
Manhattan	1.6%	7.8%	0.0%	90.6%	64
Queens	39.3%	32.6%	13.3%	14.8%	399
Staten Island	55.9%	42.5%	0.2%	1.4%	431
Citywide	*29.1%*	*32.0%*	*13.3%*	*25.7%*	*1,383*
2014					
Bronx	0.0%	33.3%	20.4%	46.3%	108
Brooklyn	0.0%	19.3%	25.8%	55.0%	400
Manhattan	1.3%	9.0%	2.6%	87.2%	78
Queens	47.8%	25.4%	10.5%	16.3%	448
Staten Island	68.1%	31.1%	0.2%	0.6%	479
Citywide	*35.8%*	*25.3%*	*11.6%*	*27.4%*	*1,513*
2015					
Bronx	2.9%	26.3%	9.5%	61.3%	137
Brooklyn	5.3%	7.0%	14.7%	73.0%	812
Manhattan	3.8%	1.9%	2.9%	91.4%	105
Queens	31.0%	26.3%	11.6%	31.2%	552
Staten Island	63.0%	36.7%	0.0%	0.3%	392
Citywide	*23.5%*	*19.2%*	*10.0%*	*47.3%*	*1,998*
2016					
Bronx	**1.8%**	**25.2%**	**17.1%**	**55.9%**	**111**
Brooklyn	**30.6%**	**14.6%**	**14.0%**	**40.9%**	**487**
Manhattan	**6.3%**	**3.2%**	**3.2%**	**87.3%**	**63**
Queens	**39.8%**	**38.4%**	**10.3%**	**11.5%**	**477**
Staten Island	**52.2%**	**46.4%**	**0.0%**	**1.4%**	**414**
Citywide	***36.1%***	***30.7%***	***8.9%***	***24.3%***	***1,552***

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.3 Permits Issued For Housing Units by Quarter, 2006-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
2006						
Q1	1,023	2,265	2,466	1,647	296	7,697
Q2	1,208	2,793	1,802	1,742	292	7,837
Q3	1,134	2,308	2,553	2,318	255	8,568
Q4	1,293	1,825	1,969	1,545	193	6,825
2007						
Q1	1,037	2,621	1,551	1,864	191	7,264
Q2	901	3,478	1,544	3,255	192	9,370
Q3	794	2,071	3,589	1,086	189	7,729
Q4	356	2,760	2,836	1,420	167	7,539
2008						
Q1	862	1,603	485	705	238	3,893
Q2	701	8,970	7,623	5,497	546	23,337
Q3	695	1,520	880	1,016	397	4,508
Q4	224	651	712	512	74	2,173
2009						
Q1	164	137	151	508	117	1,077
Q2	130	511	716	353	233	1,943
Q3	497	243	336	331	144	1,551
Q4	856	112	160	282	76	1,486
2010						
Q1	56	175	326	249	199	1,005
Q2	490	867	166	612	121	2,256
Q3	231	246	176	394	83	1,130
Q4	287	805	36	1,103	105	2,336
2011						
Q1	205	291	146	411	88	1,141
Q2	508	624	1,199	1,416	228	3,975
Q3	248	303	391	459	178	1,579
Q4	155	304	799	896	87	2,241
2012						
Q1	564	600	556	197	193	2,110
Q2	619	310	1,041	643	134	2,747
Q3	409	1,496	421	378	142	2,846
Q4	960	947	310	210	204	2,631
2013						
Q1	214	1,184	568	428	162	2,556
Q2	1,066	1,117	1,162	730	689	4,764
Q3	336	1,918	1,708	1,006	172	5,140
Q4	1,022	1,921	1,418	997	177	5,535
2014						
Q1	379	1,725	1,809	1,067	121	5,101
Q2	583	1,617	1,041	1,471	140	4,852
Q3	736	2,675	1,506	812	207	5,936
Q4	187	1,534	1,079	1,550	244	4,594
2015						
Q1	561	3,574	1,154	782	112	6,183
Q2	1,269	15,453	9,760	9,182	151	35,815
Q3	1,651	1,163	1,057	250	175	4,296
Q4	1,201	5,836	641	2,453	103	10,234
2016						
Q1	**866**	**482**	**297**	**368**	**145**	**2,158**
Q2	**1,060**	**912**	**506**	**854**	**476**	**3,808**
Q3	**764**	**1,666**	**1,776**	**931**	**145**	**5,282**
Q4	**1,313**	**1,443**	**1,445**	**685**	**135**	**5,021**

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch.

G.4 New Dwelling Units Completed in New York City, 1961-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1961	4,424	8,380	10,539	10,632	1,152	**35,127**
1962	6,458	10,595	12,094	15,480	2,677	**47,304**
1963	8,780	12,264	19,398	17,166	2,423	**60,031**
1964	9,503	13,555	15,833	10,846	2,182	**51,919**
1965	6,247	10,084	14,699	16,103	2,319	**49,452**
1966	7,174	6,926	8,854	6,935	2,242	**32,131**
1967	4,038	3,195	7,108	5,626	3,069	**23,036**
1968	3,138	4,158	2,707	4,209	3,030	**17,242**
1969	1,313	2,371	6,570	3,447	3,768	**17,469**
1970	1,652	1,695	3,155	4,230	3,602	**14,334**
1971	7,169	2,102	4,708	2,576	2,909	**19,464**
1972	11,923	2,593	1,931	3,021	3,199	**22,667**
1973	6,294	4,340	2,918	3,415	3,969	**20,936**
1974	3,380	4,379	6,418	3,406	2,756	**20,339**
1975	4,469	3,084	9,171	2,146	2,524	**21,394**
1976	1,373	10,782	6,760	3,364	1,638	**23,917**
1977	721	3,621	2,547	1,350	1,984	**10,223**
1978	464	345	3,845	697	1,717	**7,068**
1979	405	1,566	4,060	1,042	2,642	**9,715**
1980	1,709	708	3,306	783	2,380	**8,886**
1981	396	454	4,416	1,152	2,316	**8,734**
1982	997	332	1,812	2,451	1,657	**7,249**
1983	757	1,526	2,558	2,926	1,254	**9,021**
1984	242	1,975	3,500	2,291	2,277	**10,285**
1985	557	1,301	1,739	1,871	1,939	**7,407**
1986	968	2,398	4,266	1,776	2,715	**12,123**
1987	1,177	1,735	4,197	2,347	3,301	**12,757**
1988	1,248	1,631	5,548	2,100	2,693	**13,220**
1989	847	2,098	5,979	3,560	2,201	**14,685**
1990	872	929	7,260	2,327	1,384	**12,772**
1991	656	764	2,608	1,956	1,627	**7,611**
1992	802	1,337	3,750	1,498	1,136	**8,523**
1993	886	616	1,810	801	1,466	**5,579**
1994	891	1,035	1,927	1,527	1,573	**6,953**
1995	1,166	1,647	2,798	1,013	1,268	**7,892**
1996	1,075	1,583	1,582	1,152	1,726	**7,118**
1997	1,391	1,369	816	1,578	1,791	**6,945**
1998	575	1,333	5,175	1,263	1,751	**10,097**
1999	1,228	1,025	2,341	2,119	2,264	**8,977**
2000	1,385	1,353	6,064	2,096	1,896	**12,794**
2001	1,617	2,404	6,036	1,225	2,198	**13,480**
2002	1,220	2,248	8,326	1,981	2,453	**16,228**
2003	1,473	2,575	3,798	2,344	2,589	**12,779**
2004 π	3,326	4,512	6,150	3,087	2,291	**19,366**
2005 π	3,012	5,007	5,006	4,526	1,942	**19,493**
2006 π	4,311	6,418	5,199	5,940	1,900	**23,768**
2007 π	4,422	7,109	7,498	5,907	1,446	**26,382**
2008 π	4,217	7,254	6,118	5,437	1,019	**24,045**
2009 π	2,964	7,522	8,110	4,969	887	**24,452**
2010 π	3,948	7,181	7,801	4,401	714	**24,045**
2011 π	3,417	4,728	2,375	2,852	612	**13,984**
2012 π	1,413	3,611	1,159	2,632	640	**9,455**
2013 π	1,272	3,948	3,126	3,854	482	**12,682**
2014 π	1,660	4,485	2,231	2,961	530	**11,867**
2015 π	2,396	5,324	2,986	3,110	541	14,357
2016 π	**2,532**	**9,148**	**6,900**	**3,444**	**1,223**	**23,247**

Note: Dwelling unit count is based on the number of Certificates of Occupancy issued by NYC Department of Buildings, or equivalent action by the Empire State Development Corporation or NYS Dormitory Authority. Prior years' data may be adjusted and may not match prior reports.

π Data from 2004-2016 now includes Final Certificates of Occupancy (as with all other years) as well as Temporary Certificates of Occupancy data for the first time. Data will be updated every year to reflect the most current estimates.

Source: NYC Department of City Planning, Certificates of Occupancy issued in Newly Constructed Buildings.

G.5 Number of Residential Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 2011-2016

	2011	2012*	2013*	2014*	2015*	2016
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
Private Plans						
New Construction	185 (3,785)	111 (2,554)	150 (3,658)	211 (5,171)	219 (8,880)	210 (6,653)
Rehabilitation	2 (14)	8 (81)	21 (649)	37 (462)	43 (607)	45 (416)
Conversion (Non-Eviction)	20 (457)	24 (1,293)	16 (819)	20 (3,956)	28 (3,065)	27 (1,602)
Conversion (Eviction)	0	0	0	0	0	0
Private Total	**207 (4,256)**	**143 (3,928)**	**187 (5,126)**	**268 (9,589)**	**290 (12,552)**	**282 (8,671)**
	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)	Plans (Units)
HPD Sponsored Plans						
New Construction	0	0	1 (95)	0	0	0
Rehabilitation	0	0	0	0	0	0
Conversion (Non-Eviction)	0	0	0	0	0	0
Conversion (Eviction)	9 (209)	3 (97)	0	0	1 (70)	0
HPD Total	**9 (209)**	**3 (97)**	**1 (95)**	**0**	**1 (70)**	**0**
Grand Total	**216 (4,465)**	**146 (4,025)**	**188 (5,221)**	**268 (9,589)**	**291 (12,622)**	**282 (8,671)**

*Figures corrected and differ from those found in previous *Housing Supply Reports*
Note: Figures exclude "Homeowner," "No Action," and "Commercial" plans/units.
Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.6 Number of Units in Co-op and Condo Plans Accepted for Filing By the NYS Attorney General's Office, 1988-2016

Year	New Construction	Conversion Eviction	Conversion Non-Eviction	Rehabilitation	Total New Construction Conversion & Rehab	Units in HPD Sponsored Plans
1988	9,899	1,006	32,283	--	43,188	1,159
1989	6,153	137	25,459	--	31,749	945
1990	4,203	364	14,640	--	19,207	1,175
1991	1,111	173	1,757	--	3,041	2,459
1992	793	0	566	--	1,359	1,674
1993	775	41	134	--	950	455
1994	393	283	176	807	1,659	901
1995	614	426	201	1,258	2,499	935
1996	83	16	196	284	579	0
1997	1,417	38	131	852	2,438	533
1998	3,225	0	386	826	4,437	190
1999	1,123	343	359	1,029	2,854	295
2000	1,911	203	738	220	3,072	179
2001	3,833	22	1,053	124	5,032	22
2002	2,576	260	1,974	348	5,158	260
2003	4,870	0	639	418	5,927	0
2004	6,018	274	1,550	334	8,176	274
2005	12,210	269	2,356	223	15,058	269
2006	19,870	273	6,331	0	26,474	273
2007	19,511	248	5,441	71	25,271	248
2008	13,998	241	2,582	130	16,951	241
2009	7,270	274	725	73	8,342	274
2010	4,907	59	812	0	5,778	59
2011	3,785	209	457	14	4,465	209
2012	2,554	97	1,293	81	4,025	97
2013	3,753	0	819	649	5,221	95
2014	5,171	0	3,956	462	9,589	0
2015*	8,880	73	3,065	607	12,622	70
2016	**6,653**	**0**	**1,602**	**416**	**8,671**	**0**

Note: Rehabilitated units were tabulated separately beginning in 1994. HPD Plans are a subset of all plans. Some numbers were revised from prior years.
* See Endnote 30

Source: New York State Attorney General's Office, Real Estate Financing Bureau.

G.7 Tax Incentive Programs, 2014-2016

Buildings Newly Receiving Certificates for 421-a Exemptions

	2014			2015			2016		
	Certificates	Buildings	Units	Certificates	Buildings	Units	Certificates	Buildings	Units
Bronx	37	63	980	11	29	151	8	10	209
Brooklyn	107	148	2,209	80	92	2,107	72	92	2,672
Manhattan	29	27	2,203	22	22	1,804	16	16	839
Queens	62	90	1,553	29	36	1,395	37	38	773
Staten Island	0	0	0	1	1	11	0	0	0
TOTAL	**235**	**328**	**6,945**	**143**	**180**	**5,468**	**133**	**156**	**4,493**

Buildings Newly Receiving J-51 Tax Abatements and Exemptions

	2014			2015			2016		
	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)	Buildings	Units	Certified Cost ($1,000s)
Bronx	170	8,520	$13,171	173	11,534	$18,065	346	13,312	$22,934
Brooklyn	276	14,265	$26,517	252	11,326	$22,622	175	7,694	$18,682
Manhattan	69	3,678	$10,702	60	2,836	$9,675	40	1,778	$9,859
Queens	875	14,043	$10,885	1,680	17,412	$16,902	1,630	11,525	$10,807
Staten Island	16	281	$1,976	10	1,151	$4,177	1	2	$65
TOTAL	**1,406**	**40,787**	**$63,249**	**2,175**	**44,259**	**$71,441**	**2,192**	**34,311**	**$62,347**

Source: NYC Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.8 Tax Incentive Programs – Units Receiving Initial Benefits, 1981-2016

Year	421-a	J-51	Year	421-a	J-51
1981	3,505	--	1999	6,123	82,121
1982	3,620	--	2000	2,828	83,925
1983	2,088	--	2001	4,870	81,321
1984	5,820	--	2002	4,953	70,145
1985	5,478	--	2003	3,782	74,005
1986	8,569	--	2004	6,738	117,503
1987	8,286	--	2005	5,062	66,370
1988	10,079	109,367	2006	3,875	66,010
1989	5,342	64,392	2007	4,212	55,681
1990	980	113,009	2008	4,521	64,478
1991	3,323	115,031	2009	4,613	37,867
1992	2,650	143,593	2010	5,895	50,263
1993	914	122,000	2011	11,007	54,775
1994	627	60,874	2012	10,856	45,886
1995	2,284	77,072	2013	7,890	55,659
1996	1,085	70,431	2014	6,945	40,787
1997	2,099	145,316	2015	5,468	44,259
1998	2,118	103,527	**2016**	**4,493**	**34,311**

Source: New York City Department of Housing Preservation and Development, Office of Development, Tax Incentive Programs.

G.9 Building Demolitions in New York City, 1985-2016

	Bronx		Brooklyn		Manhattan		Queens		Staten Island		Total	
Year	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	5+ Units	Total	**5+ Units**	**Total**
1985	81	157	3	101	59	73	3	133	1	31	147	495
1986	48	96	14	197	19	38	3	273	4	67	88	671
1987	14	55	2	130	22	33	1	273	6	83	45	574
1988	3	34	2	169	25	44	2	269	0	160	32	676
1989	6	48	8	160	20	38	3	219	0	109	37	574
1990	4	29	3	133	20	28	5	119	0	71	32	380
1991	10	33	15	95	9	14	1	68	0	32	35	242
1992	12	51	6	63	2	5	1	41	0	33	21	193
1993	0	17	4	94	0	1	3	51	0	5	7	168
1994	3	14	4	83	5	5	2	42	0	8	14	152
1995	2	18	0	81	0	0	2	37	0	17	4	153
1996	-	30	-	123	-	25	-	118	-	84	-	380
1997	-	29	-	127	-	51	-	168	-	119	-	494
1998	-	71	-	226	-	103	-	275	-	164	-	839
1999	-	67	-	211	-	53	-	227	-	159	-	717
2000	-	64	-	499	-	101	-	529	-	307	-	1,500
2001	-	96	-	421	-	160	-	519	-	291	-	1,487
2002	-	126	-	500	-	89	-	600	-	456	-	1,771
2003	-	161	-	560	-	100	-	865	-	564	-	2,250
2004	-	238	-	691	-	141	-	1,128	-	547	-	2,745
2005	-	245	-	1,080	-	145	-	1,545	-	477	-	3,492
2006	-	334	-	1,109	-	259	-	1,485	-	381	-	3,568
2007	-	302	-	984	-	282	-	1,407	-	308	-	3,283
2008	-	206	-	925	-	252	-	1,082	-	215	-	2,680
2009	-	166	-	467	-	153	-	663	-	177	-	1,626
2010	-	121	-	326	-	76	-	464	-	129	-	1,116
2011	-	93	-	308	-	124	-	463	-	141	-	1,129
2012	-	121	-	284	-	144	-	434	-	139	-	1,122
2013	-	105	-	367	-	145	-	453	-	216	-	1,286
2014	-	125	-	454	-	121	-	555	-	258	-	1,513
2015	-	116	-	668	-	225	-	612	-	266	-	1,887
2016	**-**	**139**	**-**	**642**	**-**	**178**	**-**	**655**	**-**	**235**	**-**	**1,849**

Note: The Census Bureau discontinued collecting demolition statistics in December, 1995. The New York City Department of Buildings began supplying the total number of buildings demolished from 1996 forward, but does not specify whether buildings are residential or whether they have 5+ units. Demolition statistics from 1985 though 1995 are solely residential buildings.

Source: U.S. Bureau of the Census, Manufacturing and Construction Division, Building Permits Branch; New York City Department of Buildings.

H.1 Additions to the Stabilized Housing Stock, 1994-2016

Year	421-a	J-51	Mitchell-Lama Buyouts State	Mitchell-Lama Buyouts City	Lofts	421-g	420-c[Ω]	Article 11/14/15	Formerly Controlled	Total[†]
1994	-	114	0	0	-	-	-	-	-	114
1995	-	88	306	0	-	-	-	-	-	394
1996	-	8	0	0	-	-	-	-	-	8
1997	-	38	323	0	-	-	-	-	-	361
1998	-	135	574	1,263	64	-	-	-	-	2,036
1999	-	33	286	0	71	-	-	-	-	390
2000	-	224	0	0	96	-	-	-	-	320
2001	-	494	0	0	56	-	-	-	-	550
2002	-	260	0	232	16	-	-	-	-	508
1994-2002	*20,240*	*1,394*	*1,489*	*1,495*	*303*	*865*	*5,500*	-	*31,159*	*62,445*
2003	1,929	171	0	279	20	41	0	-	916	3,356[†]
2004	4,941	142	0	229	129	188	0	-	706	6,335[†]
2005	3,380	25	251	481	66	79	0	-	721	5,003[†]
2006	2,264	130	285	2,755	81	5	0	-	634	6,154[†]
2007	2,838	135	2,227	290	35	441	0	-	592	6,558[†]
2008	1,856	55	0	101	35	865	0	-	887	3,799[†]
2009	2,438	18	112	0	36	0	0	-	519	3,123[†]
2010	7,596	80	0	0	9	0	0	-	451	8,136[†]
2011	3,155	498	0	0	6	0	0	-	438	4,097[†]
2012	2,509	108	132	0	17	0	0	-	360	3,126[†]
2013	5,975	407	0	0	26	0	0	-	309	6,717[†]
2014	3,110	243	318	0	21	0	0	-	211	3,903[†]
2015	2,515	0	0	0	18	0	0	-	270	2,803
2016	4,921	0	0	716	5	0	0	828	377	6,847
Total	**69,667**	**3,406**	**4,814**	**6,346**	**807**	**2,484**	**5,500[Ω]**	**828**	**38,550**	**132,402[†]**

Ω Figures for 2003-2014 have been revised from those reported in prior reports, due to the removal of 420-c program units. See last year's report, *Changes to the Rent Stabilized Housing Stock in NYC in 2015*, for more information: http://www.nycrgb.org/downloads/research/pdf_reports/changes2016.pdf

† Totals have been revised from those reported in prior years due to the removal of 420-c additions. See above note.

421-a Notes: Between 1994-2002, a count of 26,987 421-a units includes co-op and condo units that were created under the 421-a program. Analysis of the Real Property Asset Database (RPAD) shows that on average from 1994 to 2002, 25% of 421-a units were owner units and 75% were rental units. Therefore an estimated 20,240 units were added to the rent stabilized stock. Since 2003, 421-a data is obtained from DHCR, which provides 12 months worth of data from April 1 to March 31 of the following year, as shown above.

J-51 Notes: The numbers represent units that were not rent stabilized prior to entering the J-51 Program. Most units participating in the J-51 Program were rent stabilized prior to their J-51 status and therefore are not considered additions to the rent stabilized stock.

Article 11, 14 and 15 Notes: Data prior to 2016 not available.

Loft Notes: Loft conversion counts are not available from 1994 to 1997.

421-g, 420-c and Rent Controlled Notes: Counts for individual years between 1994 and 2002 are not available; only an aggregate is available.

421-g Note: The 421-g tax incentive program provides a 14-year tax exemption and abatement benefits for the conversion of commercial buildings to multiple dwellings in the Lower Manhattan Abatement Zone, generally defined as the area south of the centerline of Murray, Frankfort and Dover Streets, excluding Battery Park City and the piers. All rental units in the project become subject to rent stabilization for the duration of the benefits. No additional units will be added since the program required that building permits be dated on or before June 30, 2006.

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.2 Additions to the Stabilized Housing Stock by Borough, 2016

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
421-a	607	1,975	1,548	687	104	4,921
420-c	0	0	0	0	0	0
J-51	0	0	0	0	0	0
Mitchell-Lama Buyouts (City & State)	0	716	0	0	0	716
Lofts	0	2	3	0	0	5
Article 11, 14 or 15	234	21	573	0	0	828
Formerly Controlled	56	184	55	79	3	377
Total Additions	**897**	**2,898**	**2,179**	**766**	**107**	**6,847**

Sources: NYC Department of Housing Preservation and Development (HPD), Tax Incentive Programs and Division of Housing Supervision (Mitchell-Lama Developments); NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data, and Office of Housing Operations; and NYC Loft Board.

H.3 Average and Median Rent of Initially Registered Rent Stabilized Apartments by Borough, 2016

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Citywide
Average Rent	$1,544	$3,419	$3,503	$3,159	$2,162	$2,971
Median Rent	$1,480	$3,285	$2,878	$3,005	$2,160	$2,750

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.4 Subtractions from the Stabilized Housing Stock Due to High-Rent High-Income Deregulation by Borough, 1994-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1994	0	0	904	0	0	904
1995	0	0	346	0	0	346
1996	1	0	180	4	0	185
1997	1	0	157	2	0	160
1998	3	0	366	3	0	372
1999	2	1	279	1	0	283
2000	2	1	227	0	0	230
2001	3	0	209	2	0	214
2002	1	1	258	2	0	262
2003	2	13	177	6	0	198
2004	0	13	173	8	0	194
2005	4	30	220	11	0	265
2006	8	28	244	21	0	301
2007	9	45	241	14	0	309
2008	10	50	198	20	0	278
2009	16	57	364	20	0	457
2010	9	44	256	27	0	336
2011	6	38	149	19	0	212
2012	5	31	119	10	0	165
2013	3	32	74	18	0	127
2014	4	21	149	12	0	186
2015	13	37	50	9	0	109
2016	1	30	92	23	0	146
Total	**103**	**472**	**5,432**	**232**	**0**	**6,239**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.5 Subtractions from the Stabilized Housing Stock Due to High-Rent Vacancy Deregulation by Borough, 1994-2016

Year	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
1994	3	9	544	9	0	565
1995	1	111	927	8	0	1,047
1996	10	106	1,203	6	0	1,325
1997	6	77	1,121	0	0	1,204
1998	7	116	2,247	14	0	2,384
1999	11	151	3,586	37	0	3,785
2000	7	279	2,586	62	0	2,934
2001	53	294	4,490	145	0	4,982
2002	64	391	5,431	251	7	6,144
2003	83	640	7,048	416	17	8,204
2004	101	758	7,271	697	29	8,856
2005	184	852	7,303	904	29	9,272
2006	217	1,408	7,187	1,106	65	9,983
2007	375	1,409	7,114	1,380	64	10,342
2008	447	1,884	8,600	1,787	82	12,800
2009	537	2,013	8,718	2,195	94	13,557
2010	581	2,154	7,807	2,290	79	12,911
2011	654	2,256	6,378	2,032	44	11,364
2012	281	1,189	4,289	922	32	6,713
2013	197	994	2,924	654	32	4,801
2014	309	1,247	3,572	1,056	51	6,235
2015	432	1,773	4,280	1,510	54	8,049
2016	179	1,132	2,522	824	33	4,690
Total	**4,739**	**21,243**	**107,148**	**18,305**	**712**	**152,147**

Note: Prior to 2014, registration of deregulated units with DHCR was voluntary. These totals therefore represent a 'floor' or minimum count of the actual number of deregulated units in these years. Since 2014, the annual apartment registration must indicate that an apartment is permanently exempt. See "High-Rent Vacancy Deregulation" section on page 6 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.6 Subtractions from the Stabilized Housing Stock, 1994-2016

Year	High-Rent High-Income Deregulation	High-Rent Vacancy Deregulation	Co-op/Condo Conversion	421-a Expiration	J-51 Expiration	Substantial Rehab	Commercial/ Professional Conversion	Other	Total
1994	904	565	5,584	2,005	1,345	332	139	1,904	12,778
1995	346	1,047	4,784	990	1,440	334	113	1,670	10,724
1996	185	1,325	4,733	693	1,393	601	117	1,341	10,388
1997	160	1,204	3,723	1,483	1,340	368	109	1,365	9,752
1998	372	2,384	3,940	2,150	1,412	713	78	1,916	12,965
1999	283	3,785	2,822	3,514	1,227	760	110	1,335	13,836
2000	230	2,934	3,147	3,030	884	476	729	1,372	12,802
2001	214	4,982	2,153	770	1,066	399	88	1,083	10,755
2002	262	6,144	1,774	653	1,081	508	45	954	11,421
2003	198	8,204	1,474	651	854	340	59	912	12,692
2004	194	8,856	1,564	493	609	268	79	954	13,017
2005	265	9,272	1,692	451	545	692	111	1,017	14,045
2006	301	9,983	1,567	263	236	350	135	1,139	13,974
2007	309	10,342	1,455	161	270	297	66	1,304	14,204
2008	278	12,800	1,405	376	176	421	56	1,321	16,833
2009	457	13,557	1,153	1,075	286	441	62	1,557	18,588
2010	336	12,911	1,130	657	143	274	32	1,424	16,907
2011	212	11,364	1,098	415	230	174	29	653	14,175
2012	165	6,713	924	336	244	481	74	562	9,499
2013	127	4,801	774	757	188	308	31	611	7,597
2014	186	6,235	789	1,011	137	226	13	416	9,013
2015	109	8,049	618	1,079	287	288	13	369	10,812
2016	146	4,690	665	749	460	216	160	438	7,524
Total	**6,239**	**152,147**	**48,968**	**23,762**	**15,853**	**9,267**	**2,448**	**25,617**	**284,301**

Co-op/Condo Note: Subtractions from the stabilized stock in co-ops and condos are due to two factors: (1) stabilized tenants vacating rental units in previously converted buildings and (2) new conversions of stabilized rental units to ownership.

High-Rent Vacancy Deregulation Note: Prior to 2014, registration of deregulated units with DHCR was voluntary. These totals therefore represent a 'floor' or minimum count of the actual number of deregulated units in these years. Since 2014, the annual apartment registration must indicate that an apartment is permanently exempt. See "High-Rent Vacancy Deregulation" section on page 6 for more information.

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

H.7 Subtractions from the Stabilized Housing Stock by Borough, 2016

	Bronx	Brooklyn	Manhattan	Queens	Staten Island	Total
High-Rent High-Income Deregulation	1	30	92	23	0	146
High-Rent Vacancy Deregulation	179	1,132	2,522	824	33	4,690
Co-op/Condo Conversion	52	122	297	194	0	665
421-a Expirations	182	42	401	115	9	749
J-51 Expirations	7	37	383	33	0	460
Substantial Rehabilitation	1	119	86	10	0	216
Commercial/Professional Conversion	9	2	149	0	0	160
Other	9	86	299	44	0	438
Total Subtractions	**440**	**1,570**	**4,229**	**1,243**	**42**	**7,524**

Source: NYS Division of Housing and Community Renewal (DHCR), Office of Rent Administration, annual registration data.

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Glossary of Rent Regulation

1/40th Increase: See "Individual Apartment Improvements“

1/60th Increase: See "Individual Apartment Improvements“

421-a Tax Incentive Program: Created in 1970 and amended periodically by the NYS Legislature. Offers tax exemptions to qualifying new multifamily properties containing three or more rental units. Apartments built with 421-a tax exemptions are subject to the provisions of the Rent Stabilization Laws during the exemption period. Thus, 421-a tenants share the same tenancy protections as stabilized tenants and initial rents are then confined to increases established by the Rent Guidelines Board.

Adjustable Rate Mortgage (ARM): Similar to a variable rate mortgage except that interest rate adjustments are capped in order to protect lenders and borrowers from sudden upturns or downturns in a market index.

Affordable Housing: As defined by the United States Department of Housing and Urban Development, any housing accommodation for which a tenant household pays 30% or less of its income for shelter.

Balloon Loan: A loan that is partially amortized, meaning that principal is partially paid throughout the term of the loan. At maturity, the borrower still has a substantial sum (balloon) that must be repaid or refinanced.

Class A Multiple Dwelling: As defined under the Multiple Dwelling Law, a multiple dwelling building which is generally occupied as a permanent residence. The class includes such buildings as apartment houses, apartment hotels, maisonette apartments, and all other multiple dwellings except Class B dwellings.

Class B Multiple Dwelling: A multiple dwelling which is occupied, as a rule, transiently, as the more or less temporary abode of individuals or families. This class includes such buildings as hotels, lodging houses, rooming houses, boarding schools, furnished room houses, college and school dormitories.

Condominium (Condo): A form of property ownership in which units are individually owned and the owners acquire shares in an association that owns and cares for common areas.

Cooperative (Co-op): A form of property ownership in which a building or complex is owned by a corporation. Shares in the corporation are allocated per apartment and the owners of those shares, who are called proprietary lessees, may either live in the apartment for which the shares are allocated or rent that apartment to a sub-tenant.

Core Manhattan: The area of Manhattan south of 96th Street on the East Side and 110th Street on the West Side. See also “Upper Manhattan.”

Debt Service: Repayment of loan principal and interest; the projected debt service is the determining factor in setting the amount of the loan itself.

Debt Service Ratio: The net operating income divided by the debt service; it measures a borrower’s ability to cover mortgage payments using a building’s net operating income.

Decontrol: See "Deregulation."

Department of Housing Preservation and Development (HPD): The New York City agency with primary responsibility for promulgating and enforcing housing policy and laws in the City. (Also see DHCR)

Deregulation: Also known as “Decontrol” or “Destabilization.” Deregulation occurs by action of the owner when an apartment under either rent control or rent stabilization legally meets the criteria for leaving regulation. When an apartment is deregulated, the rent may be set at ‘market rate.’ There are two types of deregulation, “High-Rent/High-Income Deregulation” and “High-Rent Vacancy Deregulation.” See these individual terms for more details.

Destabilization: See "Deregulation."

DHCR: See "Division of Housing and Community Renewal."

Disability Rent Increase Exemption (DRIE): A program which freezes the rent of a New York City tenant or tenant’s spouse who is disabled (defined as receiving either Federal Supplemental Security Income, Federal Social Security Disability Insurance, US Department of Veterans Affairs disability pension or compensation, or

Disability-related Medicaid) and living in a rent regulated apartment. To currently qualify for this benefit, a household of any size must make a combined household income no more than $50,000 per year, as well as paying at least 1/3 of their income toward their rent.

Discount Rate: The interest rate Federal Reserve Banks charge for loans to depository institutions.

Distressed Buildings: Buildings that have operating and maintenance expenses greater than gross income are considered distressed.

Division of Housing and Community Renewal (DHCR): Part of NYS Homes & Community Renewal (HCR), the New York State agency with primary responsibility for formulating New York State housing policy, and monitoring and enforcing the provisions of the state's residential rent regulation laws.

Emergency Tenant Protection Act of 1974 (ETPA): Chapter 576 Laws of 1974: In Nassau, Rockland and Westchester counties, rent stabilization applies to non-rent controlled apartments in buildings of six or more units built before January 1, 1974 in localities that have declared an emergency and adopted ETPA. In order for rents to be placed under regulation, there has to be a rental vacancy rate of less than 5% for all or any class or classes of rental housing accommodations. Some municipalities limit ETPA to buildings of a specific size, for instance, buildings with 20 or more units. Each municipality declaring an emergency and adopting local legislation pays the cost of administering ETPA (in either Nassau, Rockland or Westchester County). In turn, each municipality can charge the owners of subject housing accommodations a fee (up to $10 per unit per year).

Eviction: An action by a building owner in a court of competent jurisdiction to obtain possession of a tenant's housing accommodation.

Fair Market Rents (FMR): In New York City, when a tenant voluntarily vacates a rent controlled apartment, the apartment becomes decontrolled. If that apartment is in a building containing six or more units, the apartment becomes rent stabilized. The owner may charge the first stabilized tenant a fair market rent. All future rent increases are subject to limitations under the Rent Stabilization Law, whether the same tenant renews the lease or the apartment is rented to another tenant. The Rent Stabilization Law permits the first stabilized tenant after decontrol to challenge the first rent charged after decontrol, through a Fair Market Rent Appeal, if the tenant believes that the rent set by the owner exceeds the fair market rent for the apartment. The Appeal is decided taking into consideration the Fair Market Rent Special Guideline and rents for comparable apartments.

Family Assistance Program (FAP): NY State's TANF program. See "Temporary Assistance to Needy Families."

Federal Deposit Insurance Corporation (FDIC): Established by the federal government in 1950 to insure the deposits of member banks and savings associations.

Federal Reserve Board: The central bank of the United States founded by Congress in 1913 to provide the nation with a safer, more flexible, and more stable monetary and financial system.

Federal Funds Rate: Set by the Federal Reserve, this is the rate banks charge each other for overnight loans.

Fixed Rate Mortgage (FRM): The interest rate is constant for the term of a mortgage.

Fuel Cost Adjustment: The New York City Rent Control Law allows separate adjustments based on the changes, up or down, in the price of various types of heating fuels. The adjustment will be based on fuel price changes between the beginning and end of the prior year. Only tenants in rent controlled apartments located in New York City are subject to this fuel cost adjustment. Early rent stabilized New York City Rent Guidelines Board orders also contained supplementary guidelines adjustments denominating fuel cost adjustments.

Gross City Product (GCP): The dollar measurement of the total citywide production of goods and services in a given year.

Guideline Rent Increases: The percentage increase of the Legal Regulated Rent that is allowed when a new or renewal lease is signed. This percentage is determined by the New York City Rent Guidelines Board for renewal leases signed between October 1 of the current year and September 30 of the following year. The percentage increase allowed is dependent on the term of the lease and whether the lease is a renewal or vacancy lease (see 'Vacancy Allowance'). Although in the past the RGB customarily set increases for vacancy leases, it has not done so since the passage of the Rent Regulation Reform Act of 1997, which established statutory vacancy increases. Sometimes additional factors, such as the amount of the rent, whether or not electricity is included in the rent and the past rental history, have also resulted in varying adjustments.

High-Rent/High-Income Deregulation ("Luxury Decontrol"): The change in an apartment's status from being rent regulated to being deregulated because the household income of the tenant's in the apartment exceeds a certain threshold AND the rent of the apartment exceeds a certain threshold. These guidelines were modified with the passage of the Rent Act of 2015. Refer to the NYS Division of Housing for the most current information about these thresholds.

High-Rent/Vacancy Deregulation ("Vacancy Decontrol"): A process by which a rent regulated unit becomes deregulated upon the vacancy of the prior tenant, when the rent of the apartment exceeds a certain threshold. These guidelines were modified with the passage of the Rent Act of 2015. Refer to the NYS Division of Housing for the most current information about these thresholds.

Home Relief: See "Safety Net Assistance."

Hotel: Under rent stabilization, a multiple dwelling that provides all of the following services included in the rent:
(1) Maid service, consisting of general house cleaning at a frequency of at least once a week;
(2) Linen service, consisting of providing clean linens at a frequency of at least once a week;
(3) Furniture and furnishings, including at a minimum a bed, lamp, storage facilities for clothing, chair and mirror in a bedroom; such furniture to be maintained by the hotel owner in reasonable condition; and
(4) Lobby staffed 24 hours a day, seven days a week by at least one employee.

Housing Maintenance Code: The code, enforced by the New York City Department of Housing Preservation and Development, provides for protection of the health and safety of apartment dwellers by setting standards for the operation, preservation and condition of buildings.

Housing and Vacancy Survey (HVS): A triennial survey of approximately 18,000 households conducted by the United States Census Bureau data. The survey is used, inter alia, to determine the vacancy rate for residential units in New York City, and gather other information necessary for HPD, RGB, DHCR and other housing officials to formulate policy.

HPD: See "Department of Housing Preservation and Development."

HUD: The United States Department of Housing and Urban Development, which is the federal agency primarily responsible for promulgating and enforcing federal housing policy and laws.

HVS: See "Housing and Vacancy Survey."

I&E: Refers to the annual *Income and Expense Study* performed by the Rent Guidelines Board drawn from summarized data on RPIE forms, the income and expense statements filed annually by owners of stabilized buildings with the New York City Department of Finance.

Individual Apartment Improvements (IAI or "1/40th" or "1/60th"): An increase in rent based on increased services, new equipment, or improvements. This increase is a NYS policy and is in addition to the regular annual Rent Guidelines Board increases for rent stabilized apartments and Maximum Base Rent increases for rent controlled apartments. If owners add new services, improvements, or new equipment to an occupied rent regulated apartment, owners of rent regulated units can add 1/40th or 2.5% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are 35 units or less in the building) or 1/60th or 1.67% of the cost of qualifying improvements to the legal rent of those units excluding finance charges (if there are more than 35 units in the building). E.g. (in a building with 35 units or less), (1) if an apartment's legal rent was $500, and (2) the landlord made $4,000 of qualifying improvements, then (3) the landlord thereafter could add 1/40th of the cost of those improvements—in this example, $100—to the apartment's existing legal monthly rent for a resulting new legal rent of $600. The increase remains permanently in the monthly rent, even after the cost of the improvement is recouped. Owners must get the tenant's written consent to pay the increase and an order from DHCR is not required. If any apartment is vacant, the owner does not have to get written consent of a tenant to make the improvement and pass-on the increase.

Initial Legal Registered Rent: Under rent stabilization, the lawful rent for the use and occupancy of housing accommodations under the Rent Stabilization Law or the Emergency Tenant Protection Act, as first registered with the DHCR, which has not been challenged pursuant to regulation, or if challenged, has been determined by the DHCR.

In Rem: *In Rem* units include those located in structures owned by the City of New York as a result of an *in rem* proceeding initiated by the City after the owner failed to pay tax on the property for one or more years. Though many of these units in multiple dwellings had previously been subject to either rent control or rent stabilization, they are exempt from both regulatory systems during the period of city ownership.

J-51 Tax Incentive Program: A New York City program under which, in order to encourage development and rehabilitation, property tax abatements and exemptions are granted. In consideration of receiving these tax abatements, and at least for the duration of the abatements, the owner of these buildings agree to place under rent stabilization those apartments which would not otherwise be subject to rent stabilization. This program provides real estate tax exemptions and abatements to existing residential buildings that are renovated or rehabilitated in ways that conform to the requirements of the statute. It also provides these benefits to residential buildings that were converted from commercial structures.

Legal Rent: The maximum rent level that a landlord is entitled to charge a tenant for a rent regulated unit. The landlord of a rent stabilized unit must annually register that legal rent with DHCR.

Legislature: The New York State Legislature.

Loft Board: A New York City agency that regulates lofts. Lofts are governed by Article 7-C of the Multiple Dwelling Law, and are not (until brought up to Code) within DHCR's rent regulatory jurisdiction.

Loan-to-Value Ratio (LTV): An expression of the safety of a mortgage principal based on the value of the collateral (e.g., an LTV of 50% means that a lender is willing to provide a mortgage up to half the value of a building). A decline in LTV may indicate a tightening of lending criteria and vice versa.

Longitudinal: The type of analysis that provides a comparison of identical elements over time, such as comparing data from 2015 to the same data in 2014.

Low Rent Supplement: See "Supplemental Adjustment."

Major Capital Improvements (MCI): When owners make improvements or installations to a building subject to the rent stabilization or rent control laws, they may be permitted to increase the building's rent based on the actual, verified cost of the improvement. To be eligible for a rent increase, the MCI must be a new installation and not a repair to old equipment. For example, an owner may receive an MCI increase for a new boiler or a new roof but not for a repaired or rebuilt one. Other building-wide work may qualify as MCIs as well, such as "pointing and water-proofing" a complete building where necessary. The Rent Stabilization Code also stipulates that applications for MCI rent increases must be filed within two years of completion of the installation. MCI rent increases must be approved by DHCR.

Maximum Base Rent Program (MBR): The Maximum Base Rent Program is the mechanism for authorizing rent increases for New York City apartments subject to rent control so as to ensure adequate income for their operation and maintenance. New York City Local Law 30 (1970) stipulates that MBRs be established for rent controlled apartments according to a formula calculated to reflect real estate taxes, water and sewer charges, operating and maintenance expenses, return on capital value and vacancy and collection loss allowance. The MBR is updated every two years by a factor that incorporates changes in these operating costs.

Maximum Collectible Rent (MCR): The rent that rent controlled tenants actually pay is called the Maximum Collectible Rent (MCR). The MCR generally is less than the MBR. By law, the MCR cannot be increased by more than 7.5% per year for each year of the two year MBR cycle unless there are Major Capital Improvements or individual apartment rent increases. For example, if a tenant's rent (MCR) on 12/31/01 was $600, and the MBR was $700, then on 1/1/02 (effective date of MBR) the rent (MCR) would rise 7.5% to $645 and the MBR ceiling would rise by 10.5% (the 2002-03 MBR factor) to $773.50. On 1/1/03, the MBR would remain the same (since MBRs cover a two-year period), but the MCR would rise by another 7.5% to $693.38.

Mean and Medians: The "mean" is an arithmetic average of numbers. Numbers at the extreme of a range can have a potentially distorting effect on the mean. The "median" is considered by many as a more constant measure of that same set of numbers because it moderates the distorting effect of any extremes or other aberrations, because it is the 50th percentile of the numbers under analysis, or the number in the middle.

Net Operating Income (NOI): The amount of income remaining after operating and maintenance expenses are paid is typically referred to as Net Operating Income (NOI). NOI can be used for mortgage payments, improvements, federal, state and local taxes and after all expenses are paid, profit.

New Law Tenement: A "Class A" multiple dwelling constructed between 1901 and 1929 and subject to the regulations of the Tenement House Law. Distinguished from the old law tenement in terms of reduction of hazardous conditions and improved access to light and air.

New York City Housing Authority (NYCHA): The New York City agency that administers public housing and rental assistance programs.

NYC Rent Guidelines Board: See "Rent Guidelines Board."

Nominal Dollars: Dollars not adjusted to take inflation into account. See also "Real Dollars."

Old Law Tenement: A "Class A" multiple dwelling constructed before 1901 and subject to the regulations of the Tenement House Law.

O&M: Refers to the operating and maintenance expenses in buildings.

Operating Cost Ratio: The "cost-to-income" ratio, or the percentage of income spent on O&M expenses, is traditionally used by the RGB to evaluate estimated profitability of stabilized housing, presuming that buildings are better off by spending a lower percentage of revenue on expenses.

Orders: See "Rent Guidelines Orders."

Outer Boroughs: Queens, Brooklyn, the Bronx and Staten Island, or the boroughs of New York City not including Manhattan. These boroughs are often grouped together for purposes of analysis because their economic and demographic attributes are more similar to each other than those found in Manhattan.

PIOC: Price Index of Operating Costs. The major research instrument performed by the RGB staff to determine the annual change in prices for a market basket of goods and services used by owners to operate and maintain rent stabilized buildings.

Points: Up-front service fees charged by lenders.

Post-46 or Post-war: A common classification of residential buildings used by City agencies to describe buildings built after World War II. Buildings with six or more residential units constructed between 1947 and 1973, or after 1974 if the units received a tax abatement such as 421-a or J-51, are generally stabilized.

Preferential Rent: A rent charged by an owner to a tenant that is less than the established legal regulated rent. Owners are not necessarily required to base renewal lease increases on the preferential rent.

Pre-47 or Pre-war: A common classification of residential buildings used by City agencies to describe buildings built before the World War II. Buildings with six or more units constructed before February 1, 1947 are generally stabilized when the current tenant moved in on or after July 1, 1971.

Real Dollars: Dollars adjusted to take inflation into account. Real dollar figures offer a comparison between years that are pegged to the value of a dollar in a given year. See also "Nominal Dollars."

Registration: Owners are required to register all rent stabilized apartments with DHCR by filing an Annual Apartment Registration Form which lists rents and tenancy information as of April 1st of each year.

Renewal Lease: The lease of a tenant in occupancy renewing the terms of a prior lease entered into between the tenant and owner for an additional term. Tenants in rent stabilized apartments have the right to select a lease renewal for a one- or two-year term. The renewal lease must be on the same terms and conditions as the expiring lease unless a change is necessary to comply with a specific law or regulation or is otherwise authorized by the rent regulation. The owner may charge the tenant a Rent Guidelines Board authorized increase based on the length of the renewal lease term selected by the tenant. The law permits the owner to raise the rent during the lease term if the Rent Guidelines rate was not finalized when the tenant signed the lease renewal offer. A renewal lease should go into effect on or after the date that it is signed and returned to the tenant as well as on the day following expiration of the prior lease. In general, the lease and any rent increase may not begin retroactively. Penalties may be imposed when an owner does not timely offer the tenant a renewal lease or timely return to the tenant an executed copy thereof.

Rent Act of 2011: The law passed by the New York State Legislature in June, 2011 which revised several regulations of rent stabilized units. Most notably, it provides for a maximum of one vacancy increase a year, modified the way individual apartment improvements are calculated, and raised the thresholds for both high-rent/vacancy deregulation and high-rent/high-income deregulation.

Rent Act of 2015: The law passed by the New York State Legislature in June, 2015 which revised several regulations of rent stabilized units. Most notably, it raised the rent thresholds for deregulation of rent stabilized units, altered the formula for calculating Major Capital Improvement Increases, and altered the formula for calculating vacancy lease increases.

Rent Control: The rent regulation program which generally applies to residential buildings constructed before February, 1947 in municipalities for which an end to the postwar rental housing emergency has not been declared. For an apartment to be under rent control, the tenant must generally have been living there continuously since before July 1, 1971 or for less time as a successor to a rent controlled tenant. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or is removed from regulation, generally becoming stabilized if the building has six or more units and if the community has adopted Emergency Tenant Protection Act. Formerly controlled apartments may have been decontrolled on various other grounds. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. It also obligates the owner to provide essential services and equipment. In New York City, rent increases are governed by the MBR system.

Rent Guidelines Board (RGB): The New York City agency responsible for setting the yearly rent-rate adjustments for the City's rent stabilized apartments, and also the agency which produced this publication. The Board is appointed by the Mayor and consists of two members who represent tenants, two members who represent the real estate industry and five public members.

RGB Rent Index: An index that measures the overall effect of the Board's annual rent increases on contract rents.

RGB: See "Rent Guidelines Board."

Rent Guidelines Orders: Rent guideline orders are issued by the rent guidelines boards annually, usually before July 1. For the most part, they establish the percentage increases that may be given to rent stabilized/ETPA apartments upon lease renewal and for new leases. These increases are based on the review of operating expenses and other cost of living data.

RPIE Forms: Owners of stabilized buildings are required by Local Law 63 to file Real Property Income and Expense (RPIE) forms annually with the New York City Department of Finance. RPIE forms contain detailed financial information regarding the revenues earned and the costs accrued in the operation and maintenance of stabilized buildings. Buildings with fewer than 11 apartments (except those with commercial units); an assessed value of $40,000 or less; or exclusively residential cooperatives or condominiums are exempt from filing. RPIE forms are also known as I&E forms.

Rent Regulation Reform Act of 1997 (RRRA-97): The law passed by the New York State Legislature in June, 1997 which promulgated several new provisions for rent regulated units. See "Luxury Decontrol", "Special Low Rent Increase", "Vacancy Allowance", "Vacancy Bonus" and "Vacancy Decontrol". Also known as the "Rent Act."

Rent Stabilization: In New York City, rent stabilized apartments are generally those apartments in buildings of six or more units built between February 1, 1947 and January 1, 1974. Tenants in buildings built before February 1, 1947, who moved in after June 30, 1971 are also covered by rent stabilization. A third category of rent stabilized apartments covers buildings subject to regulation by virtue of various governmental supervision or tax benefit programs. Generally, these buildings are stabilized only while the tax benefits or governmental suspension continues. In some cases, a building with as few as three units may be stabilized. Similar to rent control, stabilization provides other protections to tenants besides regulation of rental amounts. Tenants are entitled to receive required services, to have their leases renewed, and not to be evicted except on grounds allowed by law. Leases may be entered into and renewed for one or two year terms, at the tenant's choice.

Rent Stabilization Code: The Rent Stabilization Code is the body of regulations used by DHCR to implement the Rent Stabilization Law and Emergency Tenant Protection Act in New York City. These regulations affect nearly 1 million rent stabilized apartments in New York City. Chapter 888 of the Laws of 1985 authorized DHCR to amend the Rent Stabilization Code for New York City. The current Rent Stabilization Code became effective on May 1, 1987, with subsequent revision in 2000.

Rental Vacancy Rate: The percentage of the total rental units in an area that are vacant and available for occupancy. The vacancy rate for New York City is determined every three years by the Housing and Vacancy Survey.

Rooming House: Under rent regulation, in addition to its customary usage, a building or portion of a building, other than an apartment rented for single-room occupancy, in which housing accommodations are rented, on a short-term basis of daily, weekly or monthly occupancy, to more than two occupants for whom rent is paid, not members of the landlord's immediate family. The term shall include boarding houses, dormitories, trailers not a part of a motor court, residence clubs, tourist homes and all other establishments of a similar nature, except a hotel or a motor court.

Safety Net Assistance (SNA): An income assistance program set up under the New York State Welfare Reform Act of 1997 to replace Home Relief (HR).

Section 8 Vouchers: A federally-funded housing assistance program that pays participating owners on behalf of eligible tenants to provide decent, safe, and sanitary housing for very low income families at rents they can afford. Housing assistance payments are generally the difference between the local payment standard and 30% of the family's adjusted income. The family has to pay at least 10% of gross monthly income for rent. In NYC, the program is administered by NYCHA.

Section 8 Certificates: A federally-funded housing assistance program that provides housing assistance payments to participating owners on behalf of eligible tenants to provide decent, safe and sanitary housing for low income families in private market rental units at rents they can afford. This is primarily a tenant-based rental assistance program through which participants are assisted in rental units of their choice; however, a public housing agency may also attach up to 15% of its certificate funding to rehabilitated or newly constructed units under a project-based component of the program. All assisted units must meet program guidelines. Housing assistance payments are used to make up the difference between the approved rent due to the owner for the dwelling unit and the family's required contribution towards rent. Assisted families must pay the highest of 30% of the monthly adjusted family income, 10% of gross monthly family income, or the portion of welfare assistance designated for the monthly housing cost of the family.

Senior Citizen Rent Increase Exemption (SCRIE): If a New York City tenant or tenant's spouse is 62 years of age or over (living in a rent regulated apartment), and the combined household income is currently $50,000 per year or less and they are paying at least 1/3 of their income toward their rent, the tenant may apply for the Senior Citizen Rent Increase Exemption (SCRIE). In New York City, the Department of Finance (DOF) administers the SCRIE program. Outside of New York City, Senior Citizen Rent Increase Exemption is a local option, and communities have different income eligibility limits and regulations. If a New York City tenant qualifies for this program, the tenant is exempt from future rent guidelines increases, Maximum Base Rent increases, fuel cost adjustments, MCI increases, and increases based on the owner's economic hardship. New York City senior citizen tenants may also carry this exemption from one apartment to another upon moving, upon the proper application being made to the Department of Finance.

Shelter Allowance: A rental grant provided to households receiving public assistance under the Family Assistance Program (FAP).

Single-Room Occupancy Housing (SRO): Residential properties in which some or all dwelling units do not contain bathroom or kitchen facilities. Under rent regulation, the occupancy by one or two persons of a single room, or of two or more rooms which are joined together, separated from all other rooms within an apartment in a multiple dwelling, so that the occupant or occupants thereof reside separately and independently of the other occupant or occupants of the same apartment.

Special Guideline: The New York City Rent Guidelines Board is obligated to promulgate special guidelines to aid the State Division of Housing and Community Renewal in its determination of initial legal regulated rents for housing accommodations previously subject to rent control. This is determined each year by the RGB as applicable to the determination of Fair Market Rent Appeals.

Special Low Rent Increase: This provision of the 1997 Rent Regulation Reform Act permits the landlords of units which rent for less than $300 to charge those vacancy allowances otherwise permitted (including the "vacancy bonus") plus $100. Moreover, if an apartment rented for between $300 and $500, this same provision of the Rent Act provides that "in no event shall the total increase pursuant to this [vacancy allowance provision of the Rent Act] be less than one hundred dollars per month."

Special Vacancy Allowance: See *Vacancy Bonus*

Statutory Vacancy Allowance: See *Vacancy Allowance*

Sublet: The temporary transfer of a tenant's legal interest in an apartment to another person. A tenant who sublets an apartment to another person is the prime tenant. The person to whom the apartment is sublet is the subtenant. In a sublet situation, the prime tenant must abide by the rent stabilization rules that govern the building owner.

Supplemental Adjustment: A rent increase that has been allowed in certain years in addition to a regular Guideline Rent increases for apartments. The supplementary adjustment amount is established for that guideline year by the New York City or County Rent Guidelines Boards based upon the date the lease was signed, the term of the lease and the county. Also known as the "Low Rent Supplement."

Surcharge: An added charge which is paid by the tenant but not included in the legal regulated rent and is not compounded by guidelines adjustments. Examples of surcharges are: the $5.00 a month charge for an air conditioner that protrudes beyond the window line; the electrical charge for air conditioners in electrical inclusion buildings; and for the installation of window guards.

Tax Commission Income and Expense Form (TCIE): An application by building owners to appeal their tax assessments.

Temporary Assistance to Needy Families (TANF): An income assistance program set up under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to replace Aid to Families with Dependent Children (AFDC). Under TANF block grant system, each state has the authority to determine who is eligible, the level of assistance, and how long it will last. The New York State's TANF program is called the Family Assistance Program (FAP).

Term: The length of time in which a mortgage is expected to be paid back to the lender; the shorter the term, the faster the principal must be repaid and consequently the higher the debt service and vice versa.

Transient Occupancy: Among the criteria that must be met for hotel rooms, tourist homes, and motor courts to be exempt from rent regulation is that they are used for transient occupancy. Whether occupancy is transient depends on a number of factors, including whether rates are charged by the day, week, or month, and the proportions of occupants who stay for various lengths of time.

Upper Manhattan: The area of Manhattan north of 96th Street on the East Side and 110th Street on the West Side. See also "Core Manhattan."

Vacancy Allowance: A provision in the Rent Regulation Reform Act of 1997 (and following Acts) allowing owners of rent stabilized units to raise by a certain percentage the legal rent of a vacant unit. For an incoming tenant who opts for a two-year lease, the vacancy allowance is 20%. For an incoming tent who opts for a one-year lease, the vacancy allowance is 20% minus the percentage difference between the RGB's current guidelines for a two-year and a one-year lease. Other factors affect these percentages as well (see also the "Vacancy Bonus" and the "Special Low Rent Increase"). Changes to the formula for those apartments previously paying a preferential rent were also enacted in the Rent Act of 2015. For the 2016-2017 guideline period, the one-year vacancy guideline is 18% and the two-year guideline is 20%. With the passage of the Rent Act of 2011, as of June 24, 2011, landlords are permitted only one vacancy allowance per calendar year, regardless of the number of vacancies.

Vacancy Bonus: An additional rental increase allowed for units that become vacant after a long-term tenant has moved out. If the prior tenant had been in occupancy at least for eight years—and thus the unit had not "received" a vacancy allowance during that time—the Rent Regulation Reform Act of 1997 permits the landlord to charge an additional 0.6% for each year since the unit received its last vacancy allowance. For example, if (1) the incoming tenant opts for a two-year lease, after (2) the prior tenant had been in occupancy for ten years, then the landlord can charge the incoming tenant a 20% vacancy allowance (for a two-year lease) plus another 6% (ten years times 0.6%) for a total increase of 26% over the legal rent which had been paid by the departing tenant.

Vacancy Lease: When a person rents a rent stabilized apartment for the first time, or, when a new name (not the spouse or domestic partner) is added to an existing lease, this is a vacancy lease. This written lease is a contract between the owner and the tenant which includes the terms and conditions of the lease, the length of the lease and the rights and responsibilities of the tenant and the owner. The Rent Stabilization Law gives the new tenant (also called the vacancy tenant) the choice of a one- or two-year lease term. The rent the owner can charge may not be more than the last legal regulated rent plus all increases authorized by the Rent Stabilization Code, including increases for improvements to the vacant apartment.

Warranty of Habitability: Real Property Law Section 235-b entitles tenants to a livable, safe and sanitary apartment and building and remedies are specified when these conditions are not met.

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